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Special meeting on innovations for infrastructure development and promoting sustainable industrialization

Summary record of the 29th meeting
Held at Headquarters, New York, on Wednesday, 31 May 2017, at 10.45 a.m.

President: Mr. Shava ..... (Zimbabwe)

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17-08910 (E)

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The meeting was called to order at 11.a.m.

Opening of the special meeting

Statement by the President of the Economic and Social Council

1. The President said that innovations for infrastructure development and promoting sustainable industrialization had been identified as a priority issue during the 2017 session of the Economic and Social Council, which had agreed to an in-depth review of Sustainable Development Goal 9 on infrastructure, industrialization and innovation at the 2017 high-level political forum on sustainable development. In his travels across Africa, he had observed how a lack of access to reliable transportation, energy and communications could limit people's opportunities. Although some progress was being made, the absence of resilient infrastructure, sustainable industrialization and an enabling environment for innovation meant that a vast amount of potential was left unrealized. While recent history had seen unprecedented levels of scientific and technological achievement, some 770 million people worldwide still lived on less than $1.90 per day. The 2030 Agenda for Sustainable Development addressed that paradox by stressing an integrated approach to poverty eradication. Progress on infrastructure, industrialization and innovation was both a stand-alone goal and a cross-cutting objective that would have positive effects on numerous other Goals. The achievement of Goal 9, in view of its interlinked nature, would need to be prioritized in national, regional and global policymaking.

2. The purpose of the special meeting was to engage high-level stakeholders from key sectors and stakeholder groups in forging recommendations and proposing practical steps for the Council to support with respect to Goal 9. They were not however starting from scratch and could build on what already existed to make progress, as had been demonstrated at two events held in preparation for the current special meeting. The first had been a regional meeting on innovations for infrastructure development and promoting sustainable industrialization, held in Dakar in March 2017. The starting point of that meeting had been an understanding that employment creation was the foremost priority in Africa. Emerging economies outside Africa had demonstrated the importance of developing robust and sustainable industry to reduce poverty and increase prosperity. However, the investments required were enormous, with the Economic Commission for Africa estimating that around $93 billion would be needed over the coming three years.

3. The second preparatory event had been a meeting on agriculture and agro-industries development towards sustainable and resilient food systems, held in Victoria Falls, Zimbabwe in April 2017. The discussions had addressed why gross domestic product (GDP) growth originating from agriculture could be more effective in reducing poverty than other kinds of growth in emerging and developing economies, in which up to two-thirds of the workforce could depend on agriculture for their livelihood. Sustainable intensification and the development of agricultural value chains could also be particularly beneficial for smallholder farmers, rural youth and women. The recommendations emerging from the Victoria Falls meeting called for creating better enabling environments for agro-industries and addressing the risks — and perceived risks — that deterred investors and development partners.

4. He wished to highlight two initiatives that would be elaborated on by subsequent speakers: the Programme for Country Partnerships and the African Agribusiness and Agro-industries Development Initiative Plus. Both were the product of consultations with key stakeholders guided by a commitment to make progress on industry, innovation and infrastructure, and reflected the best of what the United Nations and its partners could do when working in tandem.

Statement by the Under-Secretary-General for Economic and Social Affairs

5. **Mr. Wu** Hongbo (Under-Secretary-General for Economic and Social Affairs) said that infrastructure development and sustainable industrialization, as called for by Sustainable Development Goal 9, had catalytic and cross-cutting implications for the entire 2030 Agenda. With sufficient investment, and when innovatively and effectively planned and implemented, infrastructure and industrialization could have enormous benefits, including positive impacts on economic growth, reducing poverty and ensuring environmental sustainability. Access to infrastructure was therefore crucial for achieving poverty eradication and ensuring that development was inclusive. However, that would require new ways of thinking and working.

6. He wished to draw attention to three specific challenges. One was the infrastructure financing gap in developing countries, which was estimated to be over $1 trillion annually. In response, the Addis Ababa Action Agenda of the Third International Conference on Financing for Development had established the Global Infrastructure Forum with a view to closing that

gap in an inclusive manner that was also socially and environmentally sustainable. The large investments required for national infrastructure needed to be financed by a combination of domestic resources

[illegible]

investments in sustainable

third challenge was dev

for resilient infrastructure and

areas, which was crucial to the

behind, given that three quarters of those in extreme poverty lived in rural areas.

7. It was time for the international community take action to live up to its commitments on infrastructure development and sustainable industrialization. That would entail, inter alia, integrated policy advice, capacity-building, partnerships and adequate data for follow-up and review. Engaging relevant stakeholders was also important, with particular emphasis on the involvement of banks and the private sector.

8. An evidence-based approach was instrumental to support policy evaluation. The indicators for which data were already available on Goal 9 would allow for a review of progress to begin. There was also a need for effective follow-up and review of the commitments and action items in the Addis Ababa Action Agenda.

9. The Department of Economic and Social Affairs stood ready to assist the Council in identifying trends, providing policy options and supporting follow-up, with a view to the institutionalization of resilient, sustainable, inclusive and equitable infrastructure and industrialization.

Keynote address by the Director General of the United Nations Industrial Development Organization

10. **Mr. Li Yong** (Director General, United Nations Industrial Development Organization (UNIDO)) said that UNIDO had been proud to provide assistance for the organization of the two preparatory meetings, which had successfully engaged various stakeholders, including Governments, United Nations agencies, regional organizations, non-governmental organizations and the private sector. At those meetings, a consensus had emerged that structural transformation through industrialization could be one of the most sustainable and inclusive pathways to poverty eradication.

11. That consensus was backed up by empirical evidence. Over the previous two decades, countries and regions that had successfully developed their manufacturing sectors had made spectacular progress [illegible] reduction that, encouragingly, had been [illegible] women, youth and the poorest of the poor [illegible] East Asia and the Pacific that had focused [illegible] ization had registered dramatic decreases [illegible] the other hand, in sub-Saharan Africa, [illegible] little industrial transformation, the [illegible] had increased. Recently, some African [illegible] developed countries, including [illegible] da and Cambodia, had begun to [illegible] strialization programmes that had [illegible] ts and foreign direct investment.

12. Those success stories demonstrated that industrialization could be an engine of growth for developing countries. However, industrial capacity, technological capability, productivity and manufacturing employment were not growing as rapidly as called for to meet the 2030 Agenda targets. Least developed countries also lacked adequate capacity to provide for high-quality social and environmental standards in industry. Attracting investment in those countries would continue to be a challenge as long as the costs of doing business remained too high to be competitive. Infrastructure development was the missing piece of the puzzle, but estimates of the annual investments needed for power, transport, telecommunications, water and sanitation were in the trillions of dollars.

13. The international community, including the United Nations system, had a critical role to play in assisting countries to overcome infrastructure challenges. UNIDO was working with Governments to fill infrastructure gaps, notably through its Programme for Country Partnership, which helped countries identify industrial sectors with strong potential for creating jobs, increasing exports and attracting foreign investment, and had achieved successes with pilot projects in Ethiopia, Peru and Senegal. The African Agribusiness and Agro-industries Development Initiative Plus, which had been launched in partnership with the Food and Agriculture Organization of the United Nations (FAO), the International Fund for Agricultural Development and other regional partners, was intended to accelerate the development of the agribusiness and agro-industries sectors in participating countries, and was being scaled up in response to a proposal at the preparatory meeting held in Victoria Falls. Expanding both initiatives would greatly improve the lives of millions of people by boosting infrastructure development and fostering

sustainable industrialization, both of which were critical to poverty eradication and the other Sustainable Development Goals.

Statement by the Director General of the Food and Agriculture Organization of the United Nations

14. **Mr. Graziano da Silva** (Director General, Food and Agriculture Organization of the United Nations (FAO)), speaking via video link, said that agro-industry development was fundamental for achieving several of the Sustainable Development Goals, in particular Goal 9. Agro-industrialization could, for instance, substantially reduce food loss because processed products could be stored easily for long periods.

15. At the preparatory meeting held in Victoria Falls, a number of critical constraints to the development of agro-industry had been identified, including inadequate market infrastructure, limited access to agricultural finance and risk management products, the poor skills of actors along the value chain, a lack of coordination of activities throughout the system and restricted access to export markets.

16. FAO would support the Council in taking forward the outcomes of that meeting, including the implementation of the African Agribusiness and Agro-industry Development Initiative Plus. The latter was intended to provide the technical know-how and capacity development needed to leverage coordinated public and private sector investment. It would strengthen the activities of FAO and enhance collaboration with key partners, in particular UNIDO and the International Fund for Agricultural Development.

Session I "The industrialization-infrastructure nexus in developing countries"

17. **Mr. Viera** (Observer for Ecuador), speaking on behalf of the Group of 77 and China, said that economic diversification and commodity value addition could allow developing countries to achieve inclusive and sustained economic growth, which was essential for eradicating poverty and promoting sustainable development. Industrialization and infrastructure development were interlinked, with the latter being an essential determinant of competitiveness, economic progress and diversification. Investment in sustainable and green infrastructure, particularly in emerging markets and developing countries, could support inclusive and sustainable growth.

18. Not only did developing countries lack adequate infrastructure, but they also faced serious financing challenges due to insufficient access to public and private sector resources. To bridge the growing global infrastructure gap, public resources must be mobilized and public and private investments leveraged, through such mechanisms as public-private partnerships and blended finance. There was an urgent need for effective and sustainable technical assistance and capacity-building tailored to the specific needs and constraints of developing countries, particularly in relation to infrastructure development and transport.

19. While infrastructure was important for economic diversification, the development trajectory of industrialized and developing countries alike depended on finance, investment, trade and innovation. Technology transfer to developing countries, including on concessionary and preferential terms, was important in order to enable them to shift to a more sustainable development path. The international community must take action to bridge the technological divide and promote endogenous technology development and innovation. Priorities included strengthening the international intellectual property regime, establishing technology transfer mechanisms and fully operationalizing the Technology Bank for the Least Developed Countries.

20. Promoting inclusive and sustainable industrial development could help developing countries to address major challenges related to growth, employment, natural resources, energy efficiency, pollution, climate change, knowledge-sharing, innovation and social inclusion. However, in order for developing countries to achieve inclusive and sustainable economic growth and development, they must have adequate policy space and an enabling global environment. In that connection, industrialized countries must not kick away the ladder which they had used to achieve industrialization themselves.

21. **Mr. Liu Jieyi** (China), speaking also on behalf of Brazil, the Russian Federation, India and South Africa, underlined the importance of innovation, infrastructure and industrialization and said that the international community should support mass entrepreneurship, innovation-driven development and micro, small and medium-sized enterprises, with a view to increasing employment in all sectors. Infrastructure building was essential for development as it helped to advance interconnectivity and economic integration, while industrialization and cooperation on production capacity could improve people's lives and accelerate economic growth.

22. The international community should work together to help developing countries to implement the Sustainable Development Goals, in particular Goal 9. In that connection, Brazil, the Russian Federation, India, China and South Africa (the BRICS countries) had formulated a number of proposals.

23. First, the international community should help emerging markets and developing countries to enhance their capacity for technological development, research and innovation and create a favourable policy environment for innovation. Specifically, there was a need to support investment and training in science, technology and innovation; help implement plans of action in such areas as e-commerce, the digital economy, smart cities and science and technology zones; and support the adoption of strategies and policies that encouraged innovation.

24. Second, the international community should help emerging markets and developing countries, in particular African countries, least developed countries, landlocked developing countries and small island developing States, to build high-quality, reliable and sustainable infrastructure that was tailored to their specific needs. Long-term investment in infrastructure should be encouraged to ensure funding and enhance the scale and quality of investment.

25. Third, the international community should help developing countries to promote inclusive growth, create decent jobs and achieve industrial transformation and sustainable development. Emerging markets and developing countries should be given assistance to boost their capacity for sustainable industrialization and increase the resilience of their industry-related services, their small and medium-sized enterprises and their agricultural sectors. There was also a need to help African countries and least developed countries to develop their digital economies and strengthen their links with the global market, to ensure that they benefited from the new industrial revolution.

26. Fourth, in a globalized world of integrated economies and supply chains, where the movement of capital, technology, commodities and goods was essential, the mobility of professionals and workers was equally important and must be facilitated.

27. Since the establishment of the BRICS Interbank Cooperation Mechanism, positive results had been achieved in multiple areas. The New Development Bank had been established to advance financial and economic cooperation and promote the economic development of emerging markets and developing countries. The Bank, which had opened a regional office in Africa, had approved loans for renewable energy projects and had issued green bonds denominated in renminbi to finance environmental initiatives.

28. The BRICS countries were committed to promoting regional economic integration and strengthening result-oriented cooperation in such areas as transport, energy, telecommunications and information and communications technology (ICT), with a view to enhancing international cooperation in innovation, infrastructure and industrialization and advancing the achievement of the Sustainable Development Goals.

29. **Mr. Islam** (Observer for Bangladesh), speaking on behalf of the Group of Least Developed Countries, said that it had been recognized in both the 2030 Agenda and the Addis Ababa Action Agenda that least developed countries had enormous potential to contribute to global economic growth and prosperity. However, structural challenges continued to obstruct their growth.

30. An absence of adequate infrastructure seriously hampered economic diversification and social development. Industrial development was also critically important for structural transformation, employment generation and sustained economic growth, yet during the previous decade the value-added share of manufacturing in least developed countries had remained stagnant at around 10 per cent of GDP. Industrial development and value addition were also essential for advancing gender equality, as women were the major shareholders in micro, small and medium-sized enterprises, which were key drivers of the economy in least developed countries.

31. The Programme of Action for the Least Developed Countries for the Decade 2011-2020 provided a framework for addressing infrastructure and industrialization gaps in least developed countries. The 2030 Agenda also emphasized the importance of infrastructure and industrialization for sustainable development.

32. Disparities between least developed countries and the rest of the world in terms of capacity to generate and apply scientific and technological knowledge were growing. While members of the Organization for Economic Cooperation and Development spent an average of 2.4 per cent of GDP on research, in least developed countries that figure was close to zero. The Technology Bank for the Least Developed Countries was expected to improve the innovation capacity of least developed countries but strong international support was also vitally important.

33. Building modern, sustainable and resilient infrastructure was one of the priorities of least developed countries, which recognized the importance of investing in infrastructure to boost social and economic development and build resilience to climate change and natural disasters. As domestic resource mobilization was not sufficient to cover all the infrastructure projects being undertaken, least developed countries were also involving the private sector, notably through public-private partnerships. They also needed to consider the benefits of regional infrastructure projects, particularly in the areas of transport, energy, ICT and tourism.

34. Venture capital funds and pension funds from the global market could be another source of financing for infrastructure projects. The challenge was the long-term nature of returns from infrastructure projects, as most funds were looking for quick returns. In that connection, it was important to package infrastructure projects to make them more attractive and profitable and to increase engagement between States with bankable projects, on the one hand, and fund managers and shareholders with financial resources, on the other. Relevant United Nations agencies, multilateral development banks and the International Finance Corporation could help in that regard.

35. Least developed countries needed to take steps to significantly increase inclusive and environmentally friendly industrialization and boost the share of manufacturing in their total economic basket. They also needed to diversify local productive and export capability, with a focus on high value-added sectors in agriculture and manufacturing. Modern infrastructure development, seamless access to energy, market access for products, increased foreign direct investment, innovation and access to modern technology could all play a catalytic role in fostering industrialization in least developed countries.

36. **Ms. 'Utoikamanu** (Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States) said that least developed countries, landlocked developing countries and small island developing States had limited productive capacities and many were experiencing declining value addition in manufacturing and agriculture. The specific challenges faced by those three groups of countries were highlighted in the 2030 Agenda, the Programme of Action for the Least Developed Countries for the Decade 2011-2020, the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024 and the SIDS Accelerated Modalities of Action (SAMOA) Pathway.

37. The structural transformation of least developed countries had been particularly slow, with manufacturing increasing only marginally. Infrastructure, in particular energy and ICT infrastructure, was a precondition for structural transformation and achieving the Sustainable Development Goals. However, only 38 per cent of the population in least developed countries was known to have access to electricity in 2014. Her Office was playing a key role in promoting energy access and had held two regional meetings on sustainable energy that had yielded many practical recommendations, such as the need for increased funding for project preparation at the early stages.

38. ICT could also have significant multiplier effects in the areas of agriculture, education, health, trade and governance, yet access remained limited, with just 12.6 Internet users per 100 people in least developed countries in 2015. Her Office had held a regional meeting on broadband access for African least developed countries, at which participants had underlined the need for stronger partnerships with the private sector and subsidies for the deployment of broadband to underserved areas.

39. Landlocked developing countries, meanwhile, were at a particular geographical disadvantage which, combined with critical infrastructure deficiencies and poor trade facilitation, resulted in high transport expenses and trade costs that were almost double those of neighbouring coastal countries. Such costs reduced competitiveness, diminished export profits, inflated prices of imported inputs for manufacturing, discouraged investment and undermined efforts to benefit from global flows of knowledge, technology, capital and innovation. To facilitate the implementation of the Vienna Programme of Action, particularly in relation to infrastructure development, her Office had held a meeting on sustainable transport and a seminar on accelerating access to sustainable energy through innovative partnerships.

40. Small island developing States, while a diverse grouping, had shared characteristics including geographic remoteness, a narrow economic base and isolation from major global markets. Island archipelagos were particularly dependent on transport and communications, with persistent disparities in economic and social development even within a single State due to limited transport and connectivity between islands.

41. Inadequate transport infrastructure was a major impediment to growth in all three groups of countries. Both hard and soft infrastructure must be improved in order to reduce trade costs and facilitate integration into regional and global value chains. Together, improved transport links, strong national policies and industrial parks could significantly boost economic growth, as illustrated by Ethiopia, a least developed country that had seen its economy grow by 9.6 per cent in 2015 thanks to efforts to put in place enabling conditions, establish industrial parks and invest in infrastructure, energy and access to technology.

42. Least developed countries, landlocked developing countries and small island developing States were eager to scale up and accelerate infrastructure, energy, transport and ICT initiatives. While there was strong national ownership and political will, such countries needed financial and technical support and strong partnerships with stakeholders.

43. Access to finance was a key challenge, owing to insufficient local investment, institutional capacity constraints, poor or non-existent credit ratings, inadequate project preparation capacity and the lack of skills needed to deploy financing models that encouraged blended finance. Investment needed to come from all sources and increase rapidly. While public-private partnerships had an important role to play in that regard, such partnerships presented their own challenges and should be tailored to the aspirations and constraints of vulnerable countries.

44. Another challenge was the building of an enabling environment to attract investment from the private sector, including foreign direct investment. Development partners, including multilateral development banks, should provide technical support in that regard.

45. Lastly, regional economic integration could greatly boost the economic potential of the three groups of countries and should be an integral part of efforts to strengthen the industrialization-infrastructure nexus in vulnerable States.

46. **Mr. Kamau** (Permanent Representative of Kenya to the United Nations), moderator, said that a new industrial revolution was under way. It was global and would transform the lives of everyone, leaving no one behind. It had clear objectives, in the form of the Sustainable Development Goals, and guidance on how to achieve them in the 2030 Agenda. Session I was notable in that the panel was composed exclusively of Africans; moreover, it was rare to have such a high level of participation.

47. **Mr. Mayaki** (Chief Executive Officer of the New Partnership for Africa's Development (NEPAD)), panellist, said that the Organization for Economic Cooperation and Development had forecast a modest increase in the rate of global GDP growth, from just under 3 per cent in 2016 to 3.5 per cent in 2018. Africa would contribute 0.1 per cent to that 3.5 per cent. Its contribution would be so low because, as a consequence of a lack of industrialization, Africa did not sufficiently add value in production processes. China, with a population comparable in size to Africa's, contributed 15 per cent to the global economy; it was able to do so primarily because it had consistently invested in mass industrial production. Those figures illustrated the economic potential Africa had; it simply needed to adopt the right policies and technologies in order to rapidly industrialize. Industrialization would require both technological and institutional innovation.

48. Almost all African countries were currently planning to implement or commission energy, transport or other infrastructure projects and NEPAD continued to streamline transboundary infrastructure projects. The Programme for Infrastructure Development in Africa focused on important regional transboundary projects around development corridors. In 2015, in conjunction with the Economic Commission for Africa, NEPAD had published a study which indicated that African countries should seek to mobilize domestic resources for the implementation of infrastructure projects. The study had highlighted the fact that, with annual remittances of over $62 billion, illicit financial flows of approximately $50 billion, which could be staunched, mineral revenues of $168 billion and potential stock market capitalization of $1.3 trillion, Africa was more than capable of financing its industrialization. The next step was to determine the priorities in terms of policies and projects.

49. NEPAD and the Economic Commission for Africa had recently published a study on de-risking infrastructure projects in Africa, concluding that investment challenges remained with regard to project development and implementation. Recently the African Development Bank and the European Union had commenced discussions on ploughing in more financing for infrastructure development, and had set up a core guarantee scheme that would increase investment and support African countries to de-risk infrastructure projects. However, the perceived risk associated with investing in infrastructure was higher than the actual risk. In fact, African pension funds were increasingly investing in infrastructure, with 28 funds, collectively valued at $1.4 trillion, having invested

roughly $42 billion in infrastructure over the past five years. Africa could lead its own industrialization, and it must aim to establish infrastructure projects as an asset class in order to attract more investment in infrastructure, particularly transboundary projects.

50. At the Dakar Financing Summit for Africa's Infrastructure, NEPAD had showcased 16 projects being undertaken by the Programme for Infrastructure Development in Africa. It had also highlighted four problems: inadequate private sector involvement, capacity, funding for project preparation and financing. NEPAD had begun to address those weaknesses by designing an instrument for boosting early-stage project preparation capacity, the Programme for Infrastructure Development in Africa Service Delivery Mechanism, and by establishing the Continental Business Network, an exclusive infrastructure investment advisory platform for African leaders intended to increase private sector involvement.

51. Africa's industrialization and infrastructure development were irreversible. The continent must position itself strategically in relation to the new industrial revolution and the digitized economy; African pension funds must be allowed to invest in African infrastructure projects; African countries must commit to reforms in order to accelerate de-risking; public investment remained important and must continue; and African countries must take an uncompromising position on the need for development partners to provide technical assistance for early-stage infrastructure project preparation.

52. **Mr. Mamane** (Minister of Industry of the Niger), panellist, said that industrialization and resilient infrastructure development required enormous investment and human capacities in order to be maintained. Therefore, international development cooperation, private sector support and other innovative forms of cooperation were essential for countries in special situations.

53. His Government had taken various steps to promote industrial development. In order to encourage investment and boost industrial production, it had undertaken a series of legislative reforms, including reform of the Investment Code and the Trade Code. The Ministry of Industry had established a national industrial policy, a country programme for industrial development (with support from UNIDO), a national programme for high-quality and resilient infrastructure, and a standards enforcement agency.

54. The Government had also undertaken a range of significant infrastructure projects, which included the creation of a dry port at Dosso to serve as a logistics platform for imports from Benin, and the construction of a railroad connecting Cotonou to Ouagadougou, via Niamey, which was an ongoing project. There was a lot of innovation occurring in the field of agriculture and cattle rearing. Under an agribusiness and agro-industry programme, the Government was carrying out projects forming part of the African Agribusiness and Agro-industries Development Initiative and was modernizing the preservation, transformation and distribution networks for meat and milk. Lastly, in the areas of uranium and petroleum extraction, a new Mining Code prohibited companies from subcontracting their services to foreign companies whenever there was a viable national tender.

55. **Mr. Mushimba** (Minister of Transport and Communications of Zambia), panellist, said that landlocked developing countries needed to close gaps in transport, such as missing links in road and rail networks. Their economies tended not to be diversified and they had low levels of Internet penetration. The scale of investment required for the development of the hard and soft infrastructure needed to close gaps represented an enormous challenge. Moreover, the economies of landlocked developing countries were generally based on natural resources; because most products those countries exported were unprocessed, they were subject to commodity price fluctuations. For instance, falls in the price of copper, the primary export of Zambia, shook the national economy and hindered the country's capacity for development.

56. Synergies to improve infrastructure development and industrialization must be strengthened. The Vienna Programme of Action had been an excellent guide for landlocked developing countries so far. It should be implemented in coordination with the 2030 Agenda, which emphasized the importance of transport and industrialization. Landlocked developing countries were seeking to reduce their reliance on exporting raw materials and wished to start selling semi-finished or finished products, increase trade among themselves and with other countries and diversify their economies. Zambia had made progress, diversifying into agriculture and industry, and must continue on that path. Industrialization created employment, which would contribute to reducing poverty.

57. Landlocked developing countries were trying to be creative in finding sources of funding, which tended to be the biggest obstacle to accelerating the development of industry and infrastructure. His Government was ensuring that all funding accessed was utilized prudently, as well as enacting various reforms, including to the taxation system and banking

laws, in order to de-risk investments and attract new funds through blended finance.

58. **Ms. Kiwanuka** (Special Presidential Advisor of Uganda), panellist, said that consideration of the industrial-infrastructure nexus must be on a country-specific basis. Uganda, for instance, could be considered a landlocked country. However it could equally be seen as "landlinked" because neighbouring Kenya, Tanzania, South Sudan, the Democratic Republic of the Congo and Rwanda all imported food from Uganda. In other words, the advantages within each country must be promoted.

59. African Governments' budget allocations to infrastructure were often substantial. However, infrastructure, by definition, was intended to support other productive sectors. Accordingly, strategic and coordinated industrial policies were needed in each country; transformation of infrastructure in Uganda, for example, had entailed coordination among seven different government ministries.

60. Governments must use their limited resources and capacity to work towards specific goals. In Uganda, the Government had focused on developing a stable macroeconomic framework, an effective regulatory system and a level playing field for all investors.

61. Governments should also concentrate on financing major public sector infrastructure such as roads, railways and waterways, and also on human resource development — in concert with the private sector — to ensure that people were trained to possess the skills required by the marketplace. Partnerships with the private sector were important for closing gaps in value-added chains. However, Governments must carry out cost-benefit analyses of public-private partnerships in order to ensure that the amount they spent was warranted. When entering into public-private partnerships Governments must seek the greatest good for the greatest number. Project design, evaluation and implementation all had a bearing on the economic viability of infrastructure projects.

62. Innovation was occurring at such a pace that it was disrupting industry, infrastructure and labour markets all over world, and especially in Africa. If innovation resulted in job cuts, replacement jobs must be created. The Ugandan Government had recently held a fair to pair up young innovators with private sector financers, at which the innovators had also been taught some business principles and business language. Innovation was welcome and necessary, but workers must be trained so that they would have a place in the great new world that it would usher in.

63. **Ms. AlAteibi** (United Arab Emirates) said that the first Global Manufacturing and Industrialization Summit had recently been held in Abu Dhabi, with a view to furthering progress towards Sustainable Development Goal 9. The Summit was the result of a partnership between the Ministry of Economy of the United Arab Emirates and UNIDO. The intention was to develop a road map for industrial development to respond to the evolution in international trade and reflect best practices.

64. Rapid changes in manufacturing technology and global value chains had created challenges that countries could not resolve in isolation. The Summit had answered the need for a global solution by bringing together leaders and investors with a view to transforming manufacturing, encouraging greater investment in capabilities, fostering innovation and driving global skills development. Two of its noteworthy outcomes were the launch of the Sheikh Mohammed Bin Rashid Award for Global Prosperity, a new prize to be awarded annually for innovation and industry-related contributions to the service of humanity, and the establishment of the United Arab Emirates Fourth Industrial Revolution Council.

65. **Ms. Moldoisaeva** (Observer for Kyrgyzstan) said that in spite of innovations and technological advances, landlocked developing countries continued to face structural challenges in accessing world markets. To address existing sustainable development gaps and challenges, including those related to industrialization, a nationwide digital transformation programme called Taza Koom, or "Smart Society", was being launched in Kyrgyzstan. Under the programme State bodies would become more efficient; modern, safe infrastructure would be developed; innovative solutions based on digital technology would be deployed; the regulatory and institutional environment of the country would be improved; and human resource potential would be enhanced. Kyrgyzstan had a unique chance to make a rapid breakthrough in development and the Government hoped for support from its partners.

The meeting rose at 1.15 p.m.

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Special meeting on innovations for infrastructure development and promoting sustainable industrialization

Summary record of the 30th meeting
Held at Headquarters, New York, on Wednesday, 31 May 2017, at 3 p.m.

President: Mr. Shava ..... (Zimbabwe)

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Closure of the special meeting

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17-08911 (E)

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The meeting was called to order at 3.15 p.m.

Session I "The industrialization-infrastructure nexus in developing countries" (*continued*)

1. **Mr. Dennis** (Observer for Liberia), speaking on behalf of the Group of African States, said that industry was an important driver of economic transformation and growth, job creation and human development. The economic opportunities provided by industry stimulated entrepreneurship and enterprise development, technological dynamism and increased efficiency in productivity. Overall, manufacturing and industrial activities were the strongest catalyst for promoting economic transformation. Through industrialization, Africa aspired to achieve increased economic growth and a higher status of human development.

2. The continuing gap in productive industrial capacities in Africa could be attributed to factors such as a lack of industrial finance and investment, inadequate entrepreneurship, energy and infrastructure bottlenecks, fragmented markets, low purchasing power and limited demand. To overcome those challenges, many African countries had undertaken comprehensive policy reforms over the last two decades, but sound policy alone was not sufficient. Skilful mobilization and efficient deployment of financial and non-financial resources were also necessary, as were physical infrastructure, human capital and technological capacities.

3. General Assembly resolution 70/293, proclaiming the period 2016-2025 as the Third Industrial Development Decade for Africa, was welcome. However, previous resolutions proclaiming earlier such decades had never attracted funds to implement specific projects. Those past mistakes should not be repeated: a predictable financing and resource mobilization strategy was the key to realizing the ambition of industrial development in Africa. Supporters of the Third Industrial Development Decade for Africa should therefore establish inter-agency mechanisms for coordination and implementation of that mobilization strategy. Operationalization of the Third Industrial Development Decade for Africa should focus on designing an effective plan for mobilizing essential resources, developing bankable projects and assisting African States in attracting donor support for specific programmes.

4. Promoting resilient infrastructure in Africa required an increase in the quantity and quality of investments, which should be directed towards strategic sectors. Public sector investment, particularly in infrastructure, was urgently needed to attract private investment. There should also be a focus on raising Africa's contribution to the global value chain, on promoting domestic manufacturing capabilities in high value-added or technology-intensive sectors and on developing micro, small and medium-sized enterprises.

5. Promoting and accelerating the formalization of the informal sector had a positive impact on resource mobilization. Enhanced domestic resource mobilization was also needed to boost public investment in infrastructure, particularly in the energy and transportation sectors, where attracting private sector investment had been a challenge. At the same time, capital flight through tax evasion and the illicit transfer of capital across borders should be prevented, and new rules were essential to ensure that multinational companies did not shift profits abroad in order to avoid taxes.

Session II "The potential of agro-industry and agricultural systems for sustainable development"

6. **Mr. Patacconi** (Acting Director, Department of Agribusiness Development, United Nations Industrial Development Organization (UNIDO)), moderator, said that, following on from the preparatory meeting held in Victoria Falls, Zimbabwe, in April 2017, session II would provide an opportunity to explore further how agribusiness could have a positive impact in areas such as poverty eradication, social inclusion, climate change and food security. The crucial connection between industrialization and development was recognized at the global level and was reflected both in Agenda 2063: The Africa We Want and in the 2030 Agenda for Sustainable Development. In order to make the most of the untapped potential in developing countries, particularly the least developed countries, there was a need to improve skills, increase access to technology, finance, know-how and markets, and move away from the export of commodities in bulk towards the creation of added value. Action also needed to be taken to reduce waste, increase productivity, address the environmental impact of agriculture, meet the increased demand for agricultural products resulting from urbanization, and enable smallholders to join together without conflicting with the interests of large agribusinesses.

7. **Ms. Dreier** (Head of Agriculture and Food Security and Member of the Executive Committee of the World Economic Forum LLC), panellist, said that the World Economic Forum worked to facilitate public-private partnerships with the aim of addressing key global challenges, such as the need to ensure food

security and sustainable agricultural development. In partnership with national leaders, the Forum had developed models for action that it could offer to the global community.

8. The importance of agriculture for achieving the Sustainable Development Goals in the areas of hunger, poverty, health and the environment was well recognized. There was broad global agreement on the need for a food system that was sustainable, productive and inclusive and that provided nutritious food. However, the current system was not serving either humanity or the planet: the 800 million people around the world engaged in agriculture were living below the poverty line and 2 billion people lacked adequate nutrition, while the sector accounted for 70 per cent of freshwater withdrawals globally and over 30 per cent of greenhouse gas emissions. Given the complexity of the task of improving the food system, the World Economic Forum was striving to think beyond specific issues and projects and was instead pursuing the "system leadership" approach, under which no individual stakeholder was in charge but rather all relevant stakeholders were brought together to work towards a shared goal in a decentralized manner. For example, the New Vision for Agriculture initiative, launched in 2009, was aimed at delivering food security, environmental sustainability and economic opportunity through the agriculture system using multi-stakeholder and market-based approaches. The initiative had been developed through dialogue between governments, private sector leaders, civil society leaders, farmers, experts, the international community and development partners, and over 600 organizations globally were now involved, facilitating the establishment of national partnerships in 21 countries and also regional partnerships such as "Grow Africa", in conjunction with the New Partnership for Africa's Development and the African Union, and "Grow Asia", in conjunction with the secretariat of the Association of Southeast Asian Nations. To date, over $10 billion in private-sector investment commitments had been mobilized, of which more than $2.5 billion had been disbursed, benefiting more than 11 million smallholder farmers through value-chain initiatives at the country level.

9. The New Vision for Agriculture initiative had made it clear that public-private efforts at the national level, in addition to involving all the relevant stakeholders and taking a market-driven approach, should be defined by a national leadership group in line with the priorities and plans of the country in question. They should also be locally owned but supported by international organizations, and should take a holistic approach to the value chain and the food system. Although multi-stakeholder partnerships were not a solution to every problem — indeed, they had high transaction costs — they could be highly impactful in the long run.

10. **Mr. Arildsson** (Head of Internet of Things Product Management at Ericsson), panellist, accompanying his statement with a digital slide presentation, said that Ericsson, which had been a telecommunications company for most of its 140-year history, was currently shifting its focus to the Internet of Things: a network of Internet-connected devices with sensors that sent data into a central system, where knowledge or rules were applied to the data in order to generate commands that were then sent back to the devices to enable them to perform a variety of functions. As part of its Technology for Good initiative, the company was supporting an agricultural project in Malaysia in which the use of sensors to measure water and pH levels in mangrove plantations had led to a 50 per cent increase in the trees' survival rate. Under a project for the measurement of water quality in rivers, the old system of taking manual measurements at seven-day intervals had been replaced with the use of sensors to provide data on an hourly basis, which meant that if, for example, an accident occurred upriver, immediate remedial action could be taken. The company, through its activities in relation to the Millennium Development Goals and the Sustainable Development Goals, had identified a number of prerequisites for the successful delivery of change: an enabling policy framework, including basic communication infrastructure and electronic governance capabilities; solutions-oriented public-private partnerships; and sufficient funding.

11. It was generally agreed that, owing to population growth, global agricultural output would need to increase by approximately 70 per cent by 2050. There was limited scope to achieve that increase either by increasing the amount of land farmed or by harnessing genetic improvements: the former was likely to deliver only 10 per cent of the growth in output needed and the latter only 15 per cent. The remaining 75 per cent would need to be achieved through better data collection and application of knowledge. For example, in one project supported by Ericsson, farmers sent data either manually or using sensors to a central system and subsequently received instructions on what to plant and how and when to plant it, and on watering and fertilization. If a farmer was poorly educated or had a low level of literacy, the instructions could be sent by text message, using appropriate signs or symbols if necessary. Such an application of the Internet of Things

would not only help to feed more people but would also have significant benefits for the climate.

12. The Internet of Things could also be used to increase milk production in cattle farming. Sensors could be placed in the stomachs of cows for their entire life span of four years in order to monitor their temperature, movement and sleep and thus indicate when they were sick and needed medication. The sensors also indicated when a cow was in heat, which allowed for reductions in hormone dosage, and they issued alerts when a calf was about to be delivered, which led to lower mortality rates. In arable farming, weather stations helped to monitor water levels and sensors could be used to measure soil moisture. In the future, satellite imagery was expected to be used increasingly to monitor crops and determine the need for water, pesticides and fertilizers.

13. The potential of the Internet of Things was enormous and should be exploited urgently. Agriculture was a good place to start, since the impact there could be particularly significant owing to the large proportion of the African population employed in the sector. The impact in the transport and utilities sectors was also expected be substantial.

14. **Mr. Polidoro** (President and Chief Executive Officer of Agricultural Cooperative Development International/Volunteers in Overseas Cooperative Assistance (ACDI/VOCA)), panellist, accompanying his statement with a digital slide presentation, said that his organization had its roots in the cooperative movement in the farm sector but now focused on market systems, including value chains and finance. In order to implement the Sustainable Development Goals successfully, it was necessary to build on the interconnections between them. In agriculture, one basic element linking all levels from smallholder farmers up to commercial agricultural development was storage. Without adequate storage, smallholders sometimes lost up to 30 per cent of their crop. Under a warehouse receipt system that had originated in Zambia, a farmer brought a commodity, such as grain, to a warehouse, where it was graded and stored and where the farmer was given a receipt for it. The receipt could serve as collateral for an immediate loan of up to 60 per cent of the value of the grain stored under it, which meant that farmers did not have to sell their entire crop at harvest time, when prices were low.

15. The experience of his organization, first in Eastern Europe and more recently in Africa, had shown that a successful warehouse receipt system was built on three elements: the storage itself, which required adequate infrastructure in terms of roads, transport and warehouse capacity, along with adequate management capacity; a set of rules covering grades and quality standards, certification and inspection, and insurance; and receipts that served as a register of ownership and interests. When a farmer brought a product to a warehouse and took out a loan, the system must ensure that, when the product was eventually sold, the storage fees and the cost of the loan were paid before the farmer received the proceeds.

16. There was a need to increase the amount of financing available in the system. In sub-Saharan Africa, 99 per cent of staple grain commodity sales were self-financed. A warehouse receipt system created a framework for movable collateral on stocks owned by farmers, traders and processors but held in licensed warehouses. The benefits of improved storage were reduced post-harvest losses, improved product quality, stabilized market prices, greater food security as a result of reductions in waste, and increased formalization of businesses in the agribusiness sector. In order for the system to work, farmers had to be aware of market conditions and market prices. Other challenges in establishing a warehouse receipt system were the need to ensure a predictable supply of quality-controlled commodities; the possibility of government interference; and the need to establish an appropriate legal environment. In the African context, the way forward lay in focusing on the interlinkages between storage and quality assurance; planning appropriately with an awareness that the likely timeline for establishing a system was 10 to 15 years; and identifying viable commodities, in other words those that had value in the market above the storage price.

17. **Mr. Bvumbe** (Executive Director for Africa Group 1 Constituency, World Bank), panellist, noting that the population of Africa was expected to reach 2.5 billion by 2050, said that around 60 per cent of the population was employed in agriculture, yet the sector accounted for only one quarter of the continent's gross domestic product. Crop yields stood at only 50 per cent of the international average, and the continent imported food to a value of almost $200 billion per year. Despite the dominant position of the sector, it received only 5 per cent of lending from financial institutions; only a negligible amount went to smallholder farmers, yet they were a key group that needed support if the Sustainable Development Goals were to be achieved. Furthermore, agriculture in Africa required investment of about $40 billion per year but currently received only $7 billion. Sovereign wealth funds, pension funds and private equity were all potential sources of funding that should be tapped.

18. One of the most pressing needs in the African agriculture sector, which consisted mostly of subsistence farming, was to increase productivity so as to make it easier for smallholder farms to establish links with commercial agribusiness. That aim could be achieved through greater use of technology and mechanization, better storage, improved access to global value chains and the use of high-quality seeds and fertilizers. Farmers should also have security of land tenure, which would foster higher productivity and financial inclusion, and should be provided with skills development. In order to cope with extreme weather events, such as the persistent drought that had had a particularly severe impact on the Horn of Africa and Eastern and Southern Africa, agriculture needed to be climate-smart, with increased investment in irrigation infrastructure. Lastly, there was a need to de-risk financing for smallholder farming in Africa by offering guarantees to financial institutions that were prepared to lend to smallholders. That issue could usefully be discussed in the context of the Group of 20 Compact with Africa.

19. **Ms. Macavi** (Food and Agriculture Organization of the United Nations (FAO)) said that agro-industrial development could help drive the transformative side of the 2030 Agenda. A shift towards more sustainable, resilient and inclusive agriculture systems was needed, which would help to fulfil the pledge to leave no one behind.

20. Over 75 per cent of the world's extreme poor lived in rural areas of developing countries, and the full potential of smallholder farmers must be unlocked. Smallholder farmers needed better access to rural infrastructure, agricultural inputs, financing, capacity-building and markets.

21. In many cases, a lack of infrastructure prevented producers from reaching the markets. Support was also needed to build resilience to climate change and increase the sustainability of production and marketing. That was a way to guarantee food security and nutrition, better manage and preserve natural resources, and create decent jobs, since there were many employment opportunities in agriculture, especially for women and youth, and technology could boost entrepreneurship.

22. The African Agribusiness and Agro-industries Development Initiative Plus could provide additional impetus to strengthen existing delivery mechanisms and align agro-industrial development to the 2030 Agenda. It was particularly relevant to countries in special situations, where livelihoods depended principally on agriculture.

23. FAO and UNIDO were working with Member States to achieve Sustainable Development Goal 9 and to support them in transforming rural areas and bringing together the public sector, the private sector and the agricultural communities themselves, which were the agents of change.

24. **Ms. Chartsuwan** (Observer for Thailand) said that Thailand produced around one third of the world's rice and 40 per cent of its population was involved in agriculture and agribusiness. Her country therefore had a particularly good understanding of the importance of sustainable agriculture as a means to eradicate poverty and achieve the 2030 Agenda.

25. Infrastructure development was essential to support agriculture and agro-industry. Thailand had a system for storing flood water during the rainy season, which helped to mitigate the effects of drought. Infrastructure development must go hand in hand with capacity-building so that farmers could fully exploit their land. Thailand had introduced smart farming techniques to modernize the agricultural sector and help farmers boost their productivity.

26. Supporting infrastructure and technical know-how was welcome but it would not be enough to achieve sustainable agriculture. The missing factor was a mindset conducive to sustainable development. Thailand had adopted a national policy to promote a "sufficiency economy" philosophy and a new theory of agriculture. As a result, the agricultural sector had become more sustainable and environmentally friendly by eliminating the dependence on chemical fertilizers, herbicides and pesticides, increasing crop diversity and curbing harmful practices.

27. **Mr. Gayito** (Observer for Ethiopia) said that his Government was implementing an industrial strategy as part of its national development plan and was stepping up its efforts to create a favourable environment for a competitive manufacturing sector, with a particular emphasis on agro-processing, textiles and leaves, areas that would be helpful for forging a link with the agricultural sector. In line with its development priorities, the Government was also building industrial parks to attract foreign direct investment.

28. Ethiopia had forged an excellent partnership with UNIDO to implement its industrial strategy and wished to continue cooperating with its bilateral and multilateral development partners with a view to becoming one of Africa's manufacturing hubs. His Government would also continue to invest in infrastructure development in areas such as energy, irrigation and railways so as to boost its productive

capacity and accelerate its economic structural transformation.

29. In order to achieve the Sustainable Development Goals, least developed countries needed a more favourable global environment and international support for inclusive and sustainable industrialization. The private sector and public-private partnerships had a vital role to play in that regard.

30. Lastly, he wondered what policy measures should be taken to encourage the private sector to invest in long-term projects.

31. **Mr. Winters** (International Fund for Agricultural Development (IFAD)), referring to the New Vision for Agriculture initiative, said that firms were deterred by the high transaction costs of dealing with many individual smallholders and asked how smallholder participation could be increased.

32. **Ms. Mendoza Elguea** (Observer for Mexico) said that she would welcome more information regarding the five production chains that benefited from collaboration.

33. **Ms. Dreier** (Head of Agriculture and Food Security and Member of the Executive Committee of the World Economic Forum LLC) said that policy measures depended on the type of investment. Policies to promote investment in a new seed variety, for example, would differ from those promoting investment in a processing plant. In order to strengthen policy incentives for agricultural investment, therefore, a platform for informal dialogue with the private sector should be created at the national level to better understand policy barriers and how they could be addressed.

34. The New Vision for Agriculture initiative focused on smallholder farmers. Some private firms tended not to include smallholders in their value chains as they believed it to be risky and complicated. However, other companies were finding innovative ways to involve smallholders, including through mobile technology, and were providing them with the information, financing and market linkages they needed to become part of a larger value chain. The best practices of those companies must be shared and they could be encouraged to forge partnerships with companies not used to working with smallholders.

35. **Mr. Bvumbe** (Executive Director for Africa Group 1 Constituency, World Bank) said that, whatever policy was adopted, the private sector needed clarity and consistency, especially on the subject of land tenure. Dialogue was also critical before specific policies were proposed. With regard to smallholder farmers, a community model in India had been very successful in grouping smallholder farmers together, which had reduced the transaction costs.

36. **Mr. Arildsson** (Head of Internet of Things Product Management at Ericsson) said that, not unlike business in general, dealing with smallholders was about building ecosystems. However, the configuration would differ from country to country and it was vital to find a solution that worked at every level of the ecosystem.

37. **Mr. Polidoro** (President and Chief Executive Officer of Agriculture Cooperative Development International/Volunteers in Overseas Cooperative Assistance (ACDI/VOCA)) said that, in some instances, the warehouse receipt system he had referred to earlier had broken down because too many smallholders had been brought in too fast and without sufficient support. Not all smallholders had a sustainable amount of land and resources to generate a surplus; some might do better as farm labourers rather than as farmers.

Session III "Building capacities and mobilizing resources for infrastructure, industrialization and innovation"

38. **Ms. Dreier** (Head of Agriculture and Food Security and Member of the Executive Committee of the World Economic Forum LLC), moderator, said that the discussion would focus on Sustainable Development Goal 9 and would look at ways to bridge the infrastructure gap and meet the demand for infrastructure financing. Infrastructure was essential to achieving all the Sustainable Development Goals. It was important to consider how the gap could be closed, particularly at the national level, by stimulating investment and building capacity to increase infrastructure development; and how the international community could support those efforts through development cooperation and partnerships.

39. **Mr. García Zalazar** (Mayor of Godoy Cruz, Argentina), panellist, accompanying his statement with a digital slide presentation, said that his city was particularly vulnerable to climate change and was also located in an earthquake-prone area. Progress has been made in improving the infrastructure of Godoy Cruz on the basis of a vision that encompassed sustainable development, environmental protection and innovation in public administration.

40. Cooperation among cities was the first innovative development. A national network had been set up to combat climate change, which was composed of 200 municipalities, 80 of which had a climate change

action plan to mitigate greenhouse gas emissions. The network fostered horizontal cooperation and was also connected internationally through the Global Covenant of Mayors for Climate Change and Energy. Thanks to its action plan, greenhouse gas emissions in Godoy Cruz had fallen.

41. Innovation in public administration had taken three forms, all of which involved the development of new regulatory frameworks to boost sustainable infrastructure. First, a technology park had been built in Godoy Cruz, which had brought together national, provincial and municipal governments, the private sector and universities. Second, all public buildings were powered by renewable energy and an energy generation project had been launched. New industries wishing to start operations in the region had high energy needs, and new municipal regulations were being developed to enable local governments to generate sustainable energy, including solar power. From July 2017, all households in Godoy Cruz that wished to invest in solar panels would receive municipal tax breaks, which would supply the network with considerable extra energy for household consumption and industrial development. Third, a social housing project would be launched in June, which was the outcome of a public-private partnership. The State was providing the land and the utilities, the private sector was responsible for construction and the beneficiaries also made a contribution.

42. His municipality had also striven to make innovations to improve the efficiency and effectiveness of public spending, and its goals in that regard were consistent with the new urban agenda for Latin America. They included providing basic services for all citizens; promoting measures to support cleaner cities; and strengthening resilience in cities to reduce the risk and impact of disasters. The challenge was to turn theory into practice. Some countries had specialized in losing and others in winning, but the time had come to specialize in cooperation in Latin America.

43. **Mr. Bonturi** (Organization for Economic Cooperation and Development (OECD) Special Representative to the United Nations), panellist, said that fixed investment as a percentage of gross domestic product was at a historical low, and productivity growth also remained low, which would make achieving the Sustainable Development Goals particularly difficult. Infrastructure investment had considerable multiplier effects and contributed to inclusiveness and sustainability. The returns were huge, yet infrastructure investment did not occur frequently enough, despite low interest rates in many countries. That major market failure justified coordinated action by Governments to support infrastructure investment worldwide.

44. Official development assistance remained the main source of financing for infrastructure projects in many countries. However, needs far outstripped available resources. Many donor countries were linking their public funds with private investment to produce a multiplier effect and leverage public funds in order to finance infrastructure development in developing countries. Half of the Development Assistance Committee members had already implemented some form of blended finance, but that was a drop in the ocean. OECD had worked with the Group of 20 on a set of principles for long-term investment by institutional investors in order to help all Governments understand how to mobilize public finance, the types of guarantees that could be used and the policy interventions, including capacity-building, that might be needed to leverage private finance. The infrastructure deficit was large in countries at different levels of development.

45. In addition, private investment could not be attracted without a link to the business environment. From an investor's perspective, the energy, infrastructure, transportation and communications industries were generally subject to more trade and investment restrictions. Competition was also often poorly developed in those sectors and public procurement was not sufficiently transparent, which created many barriers to private sector participation in infrastructure development. Green technology was particularly affected by regulatory barriers all over the world. Among its initiatives, OECD had developed policy guidance for investment in clean energy infrastructure, and was determining how national regulatory frameworks could be adapted to attract more investment.

46. Nevertheless, money alone did not guarantee success, as much depended on governance, which helped improve the returns and attract private investment. Governance referred to government capacity to identify needs, analyse how to meet them, involve the right stakeholders at the right time and ensure that all key governmental decision-makers were working towards the same goal. At the request of the Group of 20, OECD had developed an infrastructure governance framework that addressed many specific challenges.

47. Corruption was another challenge. Two thirds of foreign bribery cases occurred in the energy and infrastructure sectors, and to help countries cooperate

on fighting corruption, the United Nations and OECD had produced guidelines on combating bid rigging and integrity in public procurement. All OECD initiatives were open to participation from all Member States and indeed the process would only be meaningful if it involved broad participation.

48. **Mr. Winters** (Associate Vice-President, a.i. Strategy and Knowledge Department of the International Fund for Agricultural Development (IFAD)), panellist, said that, in a recent study by the United Nations Children's Fund and FAO on cash transfers to farmers, it had been shown that when farmers, as businesspeople, were given cash, they spent the vast majority of it on production. In order to unleash their potential, farmers needed to work within organizations and be provided with technologies and microfinancing credit.

49. The potential of farmers could be harnessed to improve infrastructure. One example was related to irrigation. As less than 5 per cent of arable land was irrigated in sub-Saharan Africa, replacing rain-fed farming with irrigation would unleash the potential of farmers. Such a transition would not only require investment, but also water user associations for irrigation management. Another example concerned farmers' organizations. In Kenya, IFAD supported a dairy cooperative whose farmers had demanded that the Government invest in infrastructure. As a result, the Government had built 2,000 kilometres of road to link small communities to national infrastructure so that those farmers could transport their goods to markets.

50. Industrialization did not necessarily entail urbanization and industries need not be located in cities, but many countries had a significant urban bias and did not invest resources properly in rural areas. Ministries of agriculture tended to focus on rural areas but were ignored by ministries of industry or public works, which did not communicate with each other. International institutions, whose agricultural and industrialization departments often failed to communicate with each other, were also problematic. In order to effectively mobilize resources, there need to be a balance between urban and rural areas.

51. **Mr. Adeyemi** (Economic Commission for Africa) said that interactions between the Commission and the private sector had led to two key discoveries. Firstly, investors had said that investment in Africa was too risky, and secondly, that there were too many rules, regulations and policies governing transboundary infrastructure. In response, the Commission had finalized a continental model law governing procurement, project development and project ownership. Furthermore, it had carried out a comprehensive risk analysis of all 16 infrastructure projects approved at the Dakar Financing Summit for Africa's Infrastructure in 2014. The Commission would begin helping African countries domesticate the model law in August 2017.

52. **Mr. Sibanda** (Zimbabwe) said that his country had tried to control recurring expenditures in order to free up funds for infrastructure. Another challenge was that domestic resource mobilization in many countries, including Zimbabwe, had been compromised by the illicit outflow of funds, which left little for infrastructure development and deprived Africa of up to $60 billion each year. Zimbabwe had also tried to formalize its growing informal sector by developing infrastructure, which would help in the collection of taxes.

53. The creation of special economic zones was critical for industrializing the agricultural sector in each province. That would ensure infrastructure was in place for rural development and help attract international companies to work within those zones by providing the necessary incentives.

54. With respect to resource mobilization, the large Zimbabwean diaspora had been enlisted to purchase bonds to finance bankable infrastructure projects. Another positive development had been the creation in Zimbabwe of "one-stop-shop" investment centres. There was a perception that African projects were not profitable, but such centres allowed the Government and the private sector to process foreign direct investment in the shortest possible time so that they could channel investment to water, energy and road infrastructure.

55. **Mr. Aguirre Vacchieri** (Chile) said that it had been interesting to hear about the challenges posed by infrastructure development and industrialization all around the world, but especially in developing countries. Although there were some common challenges, each region had also encountered specific problems. He wondered if more information could be provided on the mayors' network, whether a broader network existed and how it was structured. On the subject of capacity-building, needs varied according to a country's level of development. The private sector was often only interested in investing when a sufficient number of large projects had been initiated. However, most developing countries did not have the capacity to do that and he wondered how that challenge could be addressed.

56. **Ms. Gandini** (Argentina) asked what incentives the State could offer to promote public-private partnerships.

57. **Ms. Song** Miyoung (Republic of Korea) said that the climate resilience of infrastructure projects was an important consideration and that public resources should be used to unlock private resources to fill financing gaps. She asked which capacity-building initiatives would be most effective for fostering climate-resilient infrastructure projects, and how resources could be better leveraged for resilient infrastructure.

58. **Ms. Dreier** (Head of Agriculture and Food Security and Member of the Executive Committee of the World Economic Forum LLC) said that the World Economic Forum had been establishing national infrastructure acceleration working groups in collaboration with national Governments, where investors and Governments were brought together to identify specific projects requiring investment. It also provided technical support for the drafting of business plans. A robust project pipeline was needed to connect the supply of capital to the demand.

59. **Mr. García Zalazar** (Mayor of Godoy Cruz, Argentina) said that, owing to urbanization in Latin America, cities had new needs and national policymaking had been slow to respond. As a result, the mayors' network had been set up to combat climate change. Participating municipalities had to measure their greenhouse gases emissions and adopt a local action plan that generally focused on infrastructure investment, particularly in the areas of energy and public transport. The network had expanded considerably in recent years; membership was voluntary, it received no funding, and consisted of cooperation agreements, primarily in the area of technical cooperation.

60. A national law had been adopted regulating public-private partnerships, but it did not yet apply to the provinces. His municipality, which had some local autonomy, had developed its own social housing initiative in response to one of the principle demands of the local population. However, there were two conditions for its implementation. The first was fiscal balance in the public accounts, since basic needs must be met before more complex ones could be considered. Second, judicial security had to be in place to provide the private sector with the necessary guarantees.

61. **Mr. Bonturi** (Organization for Economic Cooperation and Development (OECD) Special Representative to the United Nations) said that the complexity of blended finance schemes should not be underestimated, as some had taken years to put together, and it was not realistic to expect all risks to be borne by the public sector while the private sector took none yet still expected high returns. There were therefore limits to what could be achieved with blended finance, although it was part of the solution.

62. Technical cooperation was perhaps the most cost-effective method of supporting development in least developed countries. While OECD was not designed to carry out technical cooperation on its own, it did so in coordination with the United Nations system and regional development banks. A well-known example of such collaboration was Tax Inspectors Without Borders, a joint project of OECD and the United Nations Development Programme that provided capacity-building for tax departments in developing countries to help improve the collection of corporate and income tax. Every dollar spent by donors on that project had exponential multiplier effects.

63. **Mr. Winters** (Associate Vice-President, a.i. Strategy and Knowledge Department of the International Fund for Agricultural Development (IFAD)) said that large-scale finance and microfinance were both readily available, but there was very little medium-level financing for projects. However, there was a healthy demand for medium-sized loans for projects. For example, the European Union had invested $10 million in the Yield Uganda Investment Fund to provide loans of between $100,000 and $500,000 for various projects, and 16 local companies had immediately applied for those funds. IFAD was trying to work in the area of medium-sized funding, and had started an initiative called the Smallholder Investment Fund to attempt similar medium-sized project financing outside of Uganda.

Closure of the special meeting

64. **Mr. Wu** Hongbo (Under-Secretary-General for Economic and Social Affairs) said that economic growth and job creation were largely dependent on enhancing productivity and upgrading industrial sectors. However, doing so was impeded by infrastructure gaps, which curtailed progress on poverty eradication and sustainable development, especially in developing countries. Both hard and soft infrastructure was mutually supportive and reinforcing, and integrated action must therefore be taken in pursuit of the 2030 Agenda.

65. The 2017 report of the Inter-Agency Task Force on Financing for Development, entitled "Financing for Development: Progress and Prospects", had demonstrated that investment in the productive sector

and in sustainable infrastructure could spur growth and support climate-smart energy. An important finding in the report was that investment incentives should be aligned with long-term funding. In order to do so, all actors, including long-term investors, rating agencies, Governments, civil society organizations and international organizations should be brought together. Concrete initiatives announced by FAO and UNIDO showed how funding incentives and technical assistance could be better aligned with the demands of the 2030 Agenda.

66. It was encouraging to see Member States, experts and the United Nations system devise solutions to achieve the Sustainable Development Goals, particularly Goal 9. Stakeholder dialogues and partnerships were growing stronger every day, and the engagement of Member States brought the achievement of Goal 9 closer, thanks largely to the groundwork laid by the Council.

The meeting rose at 6 p.m.

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Second coordination and management meeting

Summary record of the 31st meeting
Held at Headquarters, New York, on Wednesday, 7 June 2017, at 10 a.m.

President: Ms. Chatardová (Vice-President) ..... (Czechia)

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In the absence of Mr. Shava (Zimbabwe), Ms. Chatardová (Czechia), Vice-President, took the Chair.

The meeting was called to order at 10.10 a.m.

Agenda item 18: Economic and environmental questions (*continued*)

(c) Statistics (E/2017/24-E/CN.3/2017/35)

1. **Ms. Barata Bivar** (Brazil), Chair of the Statistical Commission, speaking via audio link from Brazil, introduced the report of the Statistical Commission on its forty-eighth session (E/2017/24-E/CN.3/2017/35). The presence of over 700 delegates at the opening session of the Commission's seventieth anniversary celebration in March was a reflection of how far the Commission had come.

2. Given the broad scope of the 2030 Agenda for Sustainable Development, an unprecedented amount of data and statistics were needed to measure progress towards the 17 Goals and 169 targets. Two years earlier, the General Assembly had entrusted the Statistical Commission with the task of developing a global indicator framework to measure progress towards the Sustainable Development Goals. The bulk of the work had been done by the Inter-Agency and Expert Group on Sustainable Development Goal Indicators, which had been established by the Commission and included 28 national indicator specialists representing all subregions of the world.

3. The global indicator framework had been adopted at the Commission's March session, with broad support from all regions. The framework's primary purpose was to provide a structure for addressing all aspects of the Goals and targets in the Secretary-General's annual progress report on the Sustainable Development Goals.

4. She drew the attention of the Council to the draft resolution contained in the report, entitled "Work of the Statistical Commission pertaining to the 2030 Agenda for Sustainable Development", and its annex containing the proposed global indicator framework. The draft resolution outlined specific areas of work for the Inter-Agency and Expert Group on Sustainable Development Goal Indicators and criteria for further refinement of the indicators. Under the leadership of the Commission, the Group would continue to work on improving the framework through minor annual refinements and through two comprehensive reviews to be conducted in 2020 and 2025.

5. The draft resolution also focused on statistical capacity-building as a means of enabling national statistical systems to fully implement the 2030 Agenda. The Cape Town Global Action Plan for Sustainable Development Data had been launched at the first United Nations World Data Forum in January and endorsed by the Commission in March. One of the strategic objectives of the Action Plan was to strengthen and expand data on all population groups with a view to leaving no one behind.

6. Lastly, the report contained decisions on the Commission's ongoing work, in such areas as quality assurance, big data, environmental-economic accounting and the international comparison programme, for the purpose of furthering the Commission's work on standardization and methodologies in order to meet the increased demand for data.

7. **Ms. Regueira** (Observer for Cuba) said that, while the global indicator framework was a significant starting point, it would require further refinement. Moving forward, it must continue to take into account different national realities, policies and levels of development and focus on the central role of national statistical offices in providing official data for drafting national follow-up reports on the Sustainable Development Goals and targets; the use of transparent methodologies and high-quality, timely, verifiable and reliable data; and the building of statistical capacity, particularly in developing countries.

8. In some cases, however, the indicators still did not address all aspects of the targets. Indicator 3.5.2 in particular required further adjustments, since its current wording reduced the scope of application of target 3.5 and was in fact a biased version of what had been agreed by the World Health Organization (WHO) regarding the harmful use of alcohol. In that regard, WHO had recognized that the focus should not be on consumption per se, but rather on harmful consumption. Using per capita consumption as the only indicator was inadequate, as it did not differentiate between moderate and harmful consumption, or indicate and therefore address consumption outside the legal age limits. The indicator currently failed to recognize that WHO and its governing bodies bore primary responsibility for establishing international health regulations, standards and goals. It also restricted the freedom of Member States to adopt more suitable and comprehensive policies to address the harmful consumption of alcohol. It should therefore be one of the indicators that would be subject to further refinement and closer analysis by the Commission at its fifty-first session in 2020.

9. While the global indicator framework was the linchpin for all that Member States hoped to achieve in the coming years, its limitations could harm the proper

implementation of the 2030 Agenda. Every effort must be made to ensure that it reflected the vision of the 2030 Agenda in the quest for a fairer and more equitable international order.

10. **Ms. Mendoza Elguea** (Observer for Mexico) said that the framework would be a catalyst for periodic measurement of progress towards the Sustainable Development Goals and targets, and also represented a starting point for countries to develop national indicators. In order to boost statistical capacity through capacity-building and technical assistance, particularly in developing countries in Africa, least developed countries, landlocked countries, conflict-affected and post-conflict countries, and middle-income countries, the global indicators must be as ambitious as the 2030 Agenda. Mexico would continue to share its experiences in the collection and production of verifiable and reliable statistics, in particular in relation to the most vulnerable countries in its region.

Action on recommendations contained in the report of the Statistical Commission on its forty-eighth session (E/2017/24-E/CN.3/2017/35)

11. **The President** drew attention to the draft proposals contained in chapter I, sections A and B, of the report.

Section A

Draft resolution: Work of the Statistical Commission pertaining to the 2030 Agenda for Sustainable Development

12. *The draft resolution was adopted.*

13. **Mr. Lawrence** (United States of America) said that his delegation was pleased that the Inter-Agency and Expert Group on Sustainable Development Goal Indicators had agreed to a process whereby technical amendments and refinements could be proposed to continuously improve the Sustainable Development Goal indicators. However, many indicators, including some that were designated "tier I", contained serious weaknesses that would hinder their widespread acceptance and reporting. His country would continue its efforts to strengthen the framework through the established process Although it had previously raised concerns in the Group about individual indicators, some of those concerns remained unresolved. His delegation was ready to discuss them in detail with interested delegations at any time. All relevant stakeholders should engage in good faith in the revision and refinement process established by the Group to ensure that the framework was fit for purpose to accurately measure Member State-led efforts to achieve the Sustainable Development Goals and targets. Since many of the policies of the United States were still under review or development, his delegation reserved the right to provide further comments on the framework and other processes related to the follow-up and review of the 2030 Agenda for Sustainable Development.

Section B

Draft decision: Report of the Statistical Commission on its forty-eighth session and the provisional agenda and dates for the forty-ninth session of the Commission

14. *The draft decision was adopted.*

Agenda item 12: Coordination, programme and other questions (*continued*)

(f) Prevention and control of non-communicable diseases (E/2017/54 and E/2017/L.21)

15. **Mr. Obermeyer** (Deputy Executive Director, New York Office of the World Health Organization (WHO)), introducing the report of the Director General of the World Health Organization on the United Nations Inter-Agency Task Force on the Prevention and Control of Non-communicable Diseases (E/2017/54), said that although the Task Force dealt with non-communicable diseases, it retained a special focus on the issue of tobacco. The Addis Ababa Action Agenda of the Third International Conference on Financing for Development recognized the value of tobacco pricing and taxation as a revenue stream, and though $270 billion was collected each year, very little of it was received by the health sector. The work of the Task Force, in addition to its mandated objectives, had expanded over the previous several years and now included country visits at the request of Member States and joint programmes for implementation by the United Nations system. However, support for such work had been hindered by a lack of resources.

16. The Inter-Agency Task Force had held a number of high-level and follow-up and review meetings. A ministerial meeting would take place in Montevideo in October. It was very important not to abandon the fight against non-communicable diseases. Such diseases caused 70 per cent of deaths worldwide and billions of dollars in economic losses, but were largely preventable. Bearing in mind target 3.4 on non-communicable diseases, the interlinkages of non-communicable diseases across the Sustainable Development Goals, and the multisectoral response that was required, the Task Force had established several thematic working groups and joint initiatives to

address the harmful use of alcohol and various cancers, promote increased physical activity and deploy mobile technology to fight non-communicable diseases. The report contained information on those actions and a set of recommendations.

17. **Mr. Yao** Shaojun (China) said that in response to the Political Declaration of the High-level Meeting of the General Assembly on the Prevention and Control of Non-communicable Diseases, his country was accelerating its implementation of the WHO Global Action Plan for the Prevention and Control of Non-communicable Diseases 2013-2020 in order to reduce the impact of such diseases. China adhered to a comprehensive prevention-centred approach involving governmental direction, departmental cooperation and societal participation. His Government had incorporated the issue into major national programmes relating to the economy, social development and health, and had set out specific objectives and measures. It had already established 265 comprehensive pilot regions, effectively improving nationwide prevention and control of non-communicable diseases.

18. China had also engaged in international cooperation on the issue. It was earnestly implementing the WHO Framework Convention on Tobacco Control; working with WHO, non-governmental organizations (NGOs) and companies on programmes for smoke-free workplaces; participating in initiatives by the association of Brazil, the Russian Federation, India, China and South Africa (BRICS), the Association of Southeast Asian Nations (ASEAN) Plus Three Cooperation, and others; and deploying overseas medical teams to developing countries to provide assistance wherever possible. His delegation believed that WHO should play a leading role in the global prevention and control of non-communicable diseases, and encouraged developed countries to increase their financial and technical support to developing countries, so as to continuously improve prevention capacities worldwide.

19. **Ms. Raadik** (Estonia) said that her delegation attached great importance to the prevention and control of non-communicable diseases. The four main risk factors — tobacco use, harmful use of alcohol, unhealthy diet including excessive consumption of sugary drinks, and physical inactivity — constituted a major challenge for development in the twenty-first century and hampered the achievement of internationally agreed development goals, including the Sustainable Development Goals. It was especially important for the health of children and adolescents to minimize tobacco and alcohol consumption; for that, a special focus on school curricula and primary health care was needed. Her country planned to lead discussions on such topics during its forthcoming presidency of the Council of the European Union.

Draft resolution E/2017/L.21: United Nations Inter-Agency Task Force on the Prevention and Control of Non-communicable Diseases

20. **Mr. Kononuchenko** (Russian Federation), introducing draft resolution E/2017/L.21, said that, with the support of the Task Force, many countries were developing national strategies to control non-communicable diseases. The Task Force was making every effort to raise States' awareness of ways to prevent such diseases and of their impact on other Sustainable Development Goals, and to form a broad international coalition to support countries that required assistance. A number of States were already providing regular support to the Task Force and thus contributing to the implementation of the 2030 Agenda.

21. The Russian Federation continued to give priority to the prevention and control of non-communicable diseases, both nationally and internationally. Its efforts included a likely contribution of $1 million to the WHO-UNDP Global Joint Programme on Non-communicable Diseases.

22. It would be very timely to organize a conference in July 2017 ahead of the third high-level meeting of the General Assembly on non-communicable diseases to be held in 2018. Everyone was invited to participate in the thematic side event, to be held during the high-level political forum on sustainable development, on challenges and the implementation of national plans. A global conference on financing for combating non-communicable diseases could be organized in the run-up to the high-level meeting of the General Assembly.

23. The purpose of the draft resolution was to support the Task Force, in light of its positive results and the growing demand for its services. The operative part therefore focused on raising resources and establishing the necessary capacity in developing countries. It encouraged the thematic working groups to place greater emphasis on addressing additional factors contributing to the rising incidence of non-communicable diseases, and the members of the Task Force to develop strategies to prevent the tobacco industry from interfering in its activities.

24. Australia, Belgium, Brazil, Czechia, Japan, Spain, Uruguay and Venezuela (Bolivarian Republic of) had joined the sponsors. Belarus, Finland, Greece,

Hungary, Luxembourg, Poland, Portugal and Uruguay had joined as sponsors under rule 72 of the rules of procedure.

25. **The President** said that the draft resolution had no programme budget implications.

26. **Ms. Herity** (Secretary of the Council) announced that Estonia, France and Ireland had become sponsors of the draft resolution. Mexico had become a sponsor under rule 72 of the rules of procedure [*]

27. *The draft resolution was adopted.*

28. **Ms. Phipps** (United States of America) said that her delegation was pleased to join the consensus on the draft resolution and strongly supported efforts to prevent and control non-communicable diseases. In the eighth preambular paragraph and paragraph 10, "model policy" should not be interpreted as being applicable to industries other than the tobacco industry, or to umbrella groups of business and industry representatives that might have representatives of tobacco firms among their members. The model policy had been developed to take into account the unique context of the tobacco industry and tobacco control. Her delegation did not view it as a precedent for establishing similar policies relating to other industries. All members of the Task Force were urged to maintain transparency, inclusiveness and dialogue with the private sector in addressing non-communicable diseases.

The meeting rose at 11.00 a.m.

[*] The delegation of Germany subsequently informed the secretariat that it had intended to become a sponsor of draft resolution E/2017/L.21.

United Nations E/2017/SR.32

Economic and Social Council

Distr.: General
24 July 2017

Original: English

2017 session
28 July 2016-27 July 2017
Second coordination and management meeting

Summary record of the 32nd meeting
Held at Headquarters, New York, on Wednesday, 7 June 2017, at 3 p.m.

President: Ms. Chalupová (Vice-President) ..... (Czechia)

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Agenda item 12: Coordination, programme and other questions (*continued*)

(c) Mainstreaming a gender perspective into all policies and programmes in the United Nations system

Agenda item 18: Economic and environmental questions (*continued*)

(j) Women and development

Agenda item 19: Social and human rights questions (*continued*)

(a) Advancement of women

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17-09261 (E)

Please recycle

In the absence of Mr. Shava (Zimbabwe), Ms. Chatardová (Czechia), Vice-President, took the Chair.

The meeting was called to order at 3.10 p.m.

Agenda item 12: Coordination, programme and other questions (*continued*)

(c) Mainstreaming a gender perspective into all policies and programmes in the United Nations system (E/2017/57 and E/2017/L.22)

Agenda item 18: Economic and environmental questions (*continued*)

(j) Women and development

Agenda item 19: Social and human rights questions (*continued*)

(a) Advancement of women (E/2017/8; E/2017/27-E/CN.6/2017/21)

1. **Mr. Donoghue** (Ireland), Chair-elect of the Commission on the Status of Women for its sixty-second session, reporting on the outcome of its sixty-first session, said that the agreed conclusions from that session had focused on the priority theme "women's economic empowerment in the changing world of work". The agreed conclusions contained a number of policy recommendations in key areas including strengthening normative legal policy frameworks to remove structural barriers, education and skills development for women and girls, implementing gender-responsive economic and social policies for women's economic empowerment, addressing the growing informality of work and the increasing mobility of women workers, managing technological and digital change, strengthening women's collective voice, leadership and decision-making in both the public and private sectors, and strengthening the role of the private sector in women's economic empowerment. The ministerial segment, comprising several round tables and dialogues, had enjoyed a high level of stakeholder participation which had enriched the discussion.

2. The Commission had drawn specific attention to the global gender pay gap so as to help galvanize action for change. It had emphasized progress in implementation of agreed conclusions from previous sessions, through voluntary presentations on lessons learned from national efforts made by several countries. There was also a review and evaluation of how national experiences of implementing the Millennium Development Goals had guided work towards the Sustainable Development Goals and had integrated gender perspectives. The empowerment of indigenous women was a focus area of the session, with presentations on participation of indigenous women in decision-making, violence against indigenous women and girls, their economic empowerment and the impact on them of climate change, to mark the tenth anniversary of the adoption of the United Nations Declaration on the Rights of Indigenous Peoples. Panel discussions on the global care economy and on closing the gap in gender statistics and data had also taken place.

3. The theme for the forthcoming sixty-second session of the Commission would be "challenges and opportunities in achieving gender equality and empowerment of rural women and girls".

4. **Ms. Puri** (Deputy Executive Director, United Nations Entity for Gender Equality and the Empowerment of Women (UN-WOMEN)) said that in 1997, the Economic and Social Council, in adopting its agreed conclusions on gender mainstreaming and the empowerment of women, had recognized that gender equality would not be achieved without a systematic and consistent process to assess the implications for women and girls of any planned action. The context of the 2030 Agenda for Sustainable Development had made the Council's guidance in that area more relevant than ever. Over the past 20 years there had been a significant increase in political will and commitment to gender mainstreaming through institutional arrangements and incorporating gender perspectives into planning, budgeting and reporting processes. The United Nations continued to assist Governments in developing gender-sensitive and responsive policies and strategies and in capacity development.

5. Views on the effectiveness of gender mainstreaming were mixed, however, and it must be emphasized that gender mainstreaming and stand-alone gender equality programmes were not mutually exclusive. The 2030 Agenda followed a twin-track approach of consistent and visible policy priority and targeted programmes for gender mainstreaming in all key policies, programmes and institutions.

6. The commitment to gender mainstreaming had been reinvigorated through the 2030 Agenda, with its dedicated Goal 5 and 11 other related goals. It was also clear that more human and financial resources were needed; underinvestment in gender continued to impede results, yet remained the norm. The number of United Nations staff working on gender at least half of the time stood at only 3.5 per cent, not enough to make a difference. Business as usual could not continue if gender equality and empowerment were to be

achieved. Effective accountability mechanisms, such as the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women, were essential to propel implementation and yield a clear and consistent picture of the strengths and challenges related to gender mainstreaming. Similarly, the United Nations Country Team Performance Indicators for Gender Equality and Empowerment of Women, known as the "scorecard", provided accountability at the country level. Both the Action Plan and the scorecard were due for an update in early 2018, and the support of Member States would be needed.

7. Introducing the report of the Secretary-General on mainstreaming a gender perspective into all policies and programmes in the United Nations system (E/2017/57), she said that in 2017 a record 65 entities had reported under the System-wide Action Plan, and that compliance with its indicators had more than doubled over the past five years. Gender policies and plans remained one of the strongest drivers of institutional change. Some troubling trends must be noted, however: the current rate of progress was insufficient to meet all performance requirements set by the Chief Executives Board for Coordination, and the rate of progress had actually slowed. For a fifth consecutive year, resource allocation had emerged as the weakest indicator.

8. To address the critical gaps in progress in gender mainstreaming, a number of priority actions were needed. Sustained political leadership and commitment at the highest levels remained an essential condition for the realization of gender equality and the empowerment of women. Adequate human and financial resources in support of gender mainstreaming were also crucial. Operational coherence, capacity and expertise at the level of country teams, which also entailed support in producing robust gender statistics and data, must be enhanced and gender mainstreaming across the development peace and humanitarian agendas strengthened. Lastly, tracking of financial allocations and expenditures for gender equality must be increased, using gender markers to identify resource gaps and commit to specific targets.

9. **Mr. Rios Sanchez** (Observer for Mexico) said that his delegation regretted that not all agencies of the system had responded to requests for information under the System-wide Action Plan and that the goal of gender equality had not been achieved. Mexico had taken an active part in negotiations on the text, in particular regarding special temporary measures for women's equality. His delegation looked forward to the forthcoming adoption of the second System-wide Action Plan and the progress that would be achieved within that framework.

Draft resolution E/2017/L.22: Mainstreaming a gender perspective into all policies and programmes in the United Nations system

10. **The President** said that the draft resolution had no programme budget implications.

11. *Draft resolution E/2017/L.22 was adopted.*

Action on recommendations contained in the report of the Commission on the Status of Women on its sixty-first session (E/2017/27-E/CN.6/2017/21)

12. **The President** invited the Council to take action on the draft proposals contained in chapter I, sections B and C, of the report.

Section B
Draft resolution: Situation of and assistance to Palestinian women

13. A *recorded vote was taken on the draft resolution.*

In favour:

Afghanistan, Algeria, Argentina, Azerbaijan, Brazil, Burkina Faso, Chile, China, Colombia, Ghana, Guyana, India, Iraq, Lebanon, Pakistan, Peru, Russian Federation, Tajikistan, Trinidad and Tobago, Turkey, United Arab Emirates, Venezuela (Bolivarian Republic of), Viet Nam.

Against:

Australia, United States of America.

Abstaining:

Andorra, Belgium, Bosnia and Herzegovina, Czech Republic, Estonia, France, Germany, Honduras, Ireland, Italy, Japan, Norway, Republic of Korea, Republic of Moldova, Spain, Sweden, United Kingdom of Great Britain and Northern Ireland.

14. *The draft resolution was adopted by 23 votes to 2, with 17 abstentions.*

15. **Ms. Abushawesh** (Observer for the State of Palestine) said that her delegation wished to express its gratitude for the adoption of the draft resolution, which signified the constant and long-standing support of many Member States for the Palestinian people in their search for a just and lasting solution to the question of Palestine. The draft resolution was a reaffirmation of the right to self-determination of the Palestinian people, including women and girls, living under Israeli occupation. The text reiterated the grave concerns

regarding the plight of Palestinian women and girls in the light of harmful Israeli practices which had inflicted a humanitarian crisis and violated fundamental legal principles, including United Nations resolutions and the Geneva Conventions.

16. Although hope for a peaceful solution was fading, the vote on the draft resolution underscored the role the United Nations could and must play in that solution. The Palestinian people remained steadfast and resilient in their determination to achieve the goal of an independent State of Palestine, with East Jerusalem as its capital.

Section C
Draft decision: Report of the Commission on the Status of Women on its sixty-first session and provisional agenda and documentation for the sixty-second session of the Commission

17. *The draft decision was adopted.*

18. **The President** proposed that the Council should take note of the note by the Secretariat transmitting the results of the sixty-third, sixty-fourth and sixty-fifth sessions of the Committee on the Elimination of Discrimination against Women, as contained in document E/2017/8.

19. *It was so decided.*

The meeting rose at 4 p.m.

United Nations E/2017/SR.33

Economic and Social Council

Distr.: General
24 July 2017

Original: English

2017 session
28 July 2016-27 July 2017
Second coordination and management meeting

Summary record of the 33rd meeting
Held at Headquarters, New York, on Thursday, 8 June 2017, at 10 a.m.

President: Ms. Chatardová (Vice-President) ..... (Czechia)

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17-09386 (E)

Please recycle

In the absence of Mr. Shava (Zimbabwe), Ms. Chatardová (Czechia), Vice-President, took the Chair.

The meeting was called to order at 10:10 a.m.

Agenda item 19: Social and human rights questions

(b) Social development (E/2017/26-E/CN.5/2017/10)

1. **Mr. Charwath** (Austria), Chair of the Commission for Social Development, introducing the report on the fifty-fifth session of the Commission for Social Development (E/2017/26-E/CN.5/2017/10), said that Member States had recognized the role of the Commission as a global multi-stakeholder forum for evidence-based, action-oriented substantive discussions to promote social development, including through the sharing of good practices and lessons learned at the national and regional levels. The Commission provided integrated and coherent policy guidance on inclusive social policies, serving as a guardian within the United Nations system to ensure that no one was left behind in the implementation of the 2030 Agenda for Sustainable Development. The Bureau of the fifty-fifth session had placed emphasis on granting as much room as possible to all interested parties to participate in the work of the Commission.

2. Despite impressive progress in reducing poverty, 767 million people still lived in extreme poverty globally. In some regions, high growth rates and greater access to education and health had not translated into significant reductions in poverty rates. High and rising inequality across and within countries threatened to undermine future growth and hinder poverty eradication efforts. Ending poverty in all its forms required more inclusive, integrated, coherent and innovative social policy frameworks, poverty eradication strategies and national development plans. Greater efforts should be made to address the specific needs of vulnerable groups through a combination of universal and targeted policy interventions and the promotion of broad participation in decision-making processes. Promoting decent jobs and social protection policies had proven effective in that regard.

3. Coherence and coordination across sectoral policies would make growth more inclusive and pro-poor, and reduce vulnerabilities while building resilience to climate-related risks. Political will, strong institutional capacities, including the statistical capacity to collect disaggregated data, and national reporting mechanisms must also be strengthened. Such efforts must be supported by an enabling international environment in which official development assistance (ODA) commitments were honoured, and which included greater capacity-building, technical cooperation and resource mobilization.

4. The Commission's high-level panel discussion entitled "Promoting Integrated Policies for Poverty Eradication: Youth Development in the 2030 Agenda" had highlighted the challenges faced by young people, including high levels of un- and underemployment, limited access to quality education, and insufficient skills development and training. Panellists had also stressed the need to mainstream youth in poverty eradication strategies; to collect age-disaggregated data for the design, implementation and monitoring of evidence-based youth policies; and to strengthen youth participation at all levels of the implementation of the 2030 Agenda. The panel had also discussed entrepreneurship, education, skills development, the use of information and communications technologies to achieve the Sustainable Development Goals, and the sharing of good practices on youth employment schemes in particular.

5. In another high-level panel discussion, entitled "Leaving No One Behind: Poverty and Disability", panellists had shared national, regional and global experiences in poverty eradication efforts targeting persons with disabilities. The panel had emphasized the need to mainstream disability rights into all future sustainable development efforts, as well as for States and international organizations to promote and protect the rights of persons with disabilities, including their full participation in decision-making and the implementation of the 2030 Agenda.

6. The Commission had also emphasized the importance of supporting the well-being and rights of older persons as a specific target group. While many older persons were living longer, many also suffered from poor standards of living and poverty. Although many Governments had extended social protection schemes to improve the well-being of older persons, particularly through pensions, pension benefit levels were not always adequate to enable older persons to live with dignity above the poverty line. Older women in particular faced a much greater risk of poverty.

7. The Commission had noted the critical role of the family in cultural, political and socioeconomic development, emphasizing the need to support families, children and young people in fighting poverty and promoting social inclusion and intergenerational solidarity in order to achieve the Sustainable Development Goals. Cash transfers, early childhood development and family-friendly workplace conditions had been highlighted as effective programmes in that regard.

8. The Commission had adopted two draft resolutions that it recommended for adoption by the Economic and Social Council, entitled "Social Dimensions of the New Partnership for Africa's Development" and "Promoting the rights of persons with disabilities and strengthening the mainstreaming of disability in the implementation of the 2030 Agenda for Sustainable Development". The Commission had also adopted a resolution entitled "Policies and programmes involving youth" which it was bringing to the attention of the Council.

9. As the topics and deliberations of the Commission for Social Development were highly relevant to the achievement of the 2030 Agenda, greater attention should be paid to structuring the agenda, programme of work, input and policy advice the Commission could provide in order to maximize its contribution.

10. **Mr. Ríos Sánchez** (Observer for Mexico) said that the 2030 Agenda was a national undertaking as well as a collective mission to eradicate poverty in all its forms, ensure that no one was left behind, and promote the rights of women, youth, families, older persons, persons with disabilities and all other vulnerable populations.

11. However, social development must be envisioned from multiple angles. In the context of the reform of the United Nations development system, further thought should be given to the future of the Commission for Social Development, which currently saw its work being duplicated by other bodies and thus becoming irrelevant. The Commission's 20-year-old vision, which distanced it from the work of the Economic and Social Council and the high-level political forum on sustainable development, must be updated to reflect the new paradigm. Member States must participate in and contribute to the Commission to avoid repeating previous patterns. When it assumed its role as Vice-Chair of the Commission, Mexico would take into account the new development paradigm.

Action on recommendations contained in the report of the Commission for Social Development on its fifty-fifth session (E/2017/26-E/CN.5/2017/10)

12. **The President** invited the Council to take action on the draft proposals contained in chapter I, sections A and B of the report, and on decision 55/101 contained in chapter I, section C.

Section A

Draft resolution I: Social dimensions of the New Partnership for Africa's Development

Draft resolution II: Promoting the rights of persons with disabilities and strengthening the mainstreaming of disability in the implementation of the 2030 Agenda for Sustainable Development

13. *Draft resolutions I and II were adopted.*

Section B

Draft decision: Report of the Commission for Social Development on its fifty-fifth session and provisional agenda and documentation for the fifty-sixth session

14. *The draft decision was adopted.*

Section C

Decision 55/101: Nomination of members of the Board of the United Nations Research Institute for Social Development

15. **The President** said she took it that the Council wished to confirm the nomination of Sylvie Durrer and the renomination of Jimi Adesina, Asef Bayat, David Hulme, Joakim Palme and Onalenna Selolwane to the Board of the United Nations Research Institute for Social Development.

16. *It was so decided.*

Agenda item 12: Coordination, programme and other questions

(a) Reports of coordination bodies (E/2017/55)

17. **Ms. Petrova** (Director of the secretariat of the United Nations System Chief Executives Board for Coordination (CEB)), introducing the annual overview report of the Chief Executives Board for Coordination for 2016 (E/2017/55), said that, as the longest-standing and highest-level internal coordination mechanism within the United Nations, the Board brought together the Executive Heads of the specialized agencies, the World Bank, the International Monetary Fund, the World Trade Organization, and United Nations funds and programmes. The Director-General of the International Organization for Migration (IOM) had become the latest member to join the Board in September 2016.

18. The key role of the Board was strengthening synergies and promoting coherence and coordination among United Nations organizations on issues of system-wide concern. The report presented a number of the Board's accomplishments in 2016, including the

endorsement of 11 common principles to guide United Nations system support for the implementation of the 2030 Agenda and the publication of a book entitled "*Transitioning from the Millennium Development Goals to the Sustainable Development Goals*". The Board had endorsed several statements reaffirming its commitment to eliminating discrimination, reducing inequalities, and supporting conflict prevention and peacebuilding. The shared United Nations system framework for action on equality and non-discrimination had been converted into a user-friendly e-publication format, available on the Board's website, to facilitate its widespread adoption. The publication would be formally launched at Headquarters in the forthcoming weeks.

19. The High-level Committee on Programmes had provided coordinated preparation and follow-up to major United Nations conferences and summits, including the Fourth United Nations Conference on the Least Developed Countries, the Third United Nations World Conference on Disaster Risk Reduction and the twenty-first session of the Conference of the Parties to the United Nations Framework Convention on Climate Change. The Committee had also developed joint contributions and system-wide inputs for the United Nations Conference on Housing and Sustainable Urban Development (Habitat III).

20. Through the Committee, United Nations system entities had enjoyed the opportunity to review and provide guidance on a toolkit intended to serve as a set of guidelines and best practices for mainstreaming the Istanbul Programme of Action for the Least Developed Countries for the Decade 2011-2020 into their work programmes. New ways to enhance the overall effectiveness of United Nations system support for foreign direct investment in least developed countries were being envisioned. The Committee had moreover developed a set of common core principles for a system-wide approach to climate change that had been endorsed by the Board.

21. In 2016, the High-level Committee on Management had focused its activities on the harmonization and simplification of business practices in the areas of finance and budget, human resources, information and communications technologies and procurement. Multilingualism continued to be a priority for the United Nations system. The Committee had developed a medium-term work programme to strengthen United Nations system collaboration and coherence with regard to the harmonization of business practices, service delivery, partnerships, human resources, staff safety, data, and risk management.

22. The United Nations Development Group had focused on improving the functioning of the development system and the resident coordinator system in support of country-level implementation of the 2030 Agenda, in particular by developing guidance notes, reference guides and reports. The Group had also introduced a new performance management system for the resident coordinators and country teams aimed at enhancing leadership and accountability in delivering as one at the country level. Monitoring progress on operational coherence and coordination had been further enhanced through the improvement of a web-based tracking system and the publication of a results report on coordination in 2016.

23. The first regular session of the Board, held in Geneva in April, had adopted a new retreat format to foster strategic and dynamic exchanges; discussion topics had included the state of the world, the future of multilateralism, and the reform of the United Nations development system. In initiating the deliberations on the state of the world, the Secretary-General had noted that in the face of new geopolitical trends, such as the changing nature of conflict and global terrorist threats, the United Nations would have to adapt to new and challenging situations while focusing on prevention and resilience.

24. In an exchange of views on the global economic situation, the Board had stressed the need to pursue sustained and more equitable and inclusive growth. While a recovery in growth to pre-crisis levels was generally projected, uneven growth in Africa and the continuing decline in productivity remained particular concerns. Other aspects of the challenging global environment included the increasing fragility and declining power of the central state; erosion of trust in public institutions and governance; diffusion of economic power and trade relationships; life-altering advances in science and technology; social and demographic shifts; climate change and other environmental pressures; changing patterns of poverty; and, increasingly, frequent clashes of ideals and identities.

25. The Board had agreed that the United Nations system should respond to those complexities by working in a collaborative and coherent manner, and had highlighted areas for action of particular relevance for achieving the 2030 Agenda, including deep-rooted inequalities, labour market challenges, information and communications technologies and digital inclusion, infrastructure development and the creation of new opportunities for young people.

26. As for the discussion on the future of multilateralism, she said that an increasingly multipolar world both posed threats and created opportunities. Multilateralism was often perceived by the public as ineffective and benefiting only those at the top. Public trust and confidence in established institutions were on the decline. The Board had therefore urged the United Nations system to take urgent action to fill the moral vacuum by continuing to advocate and safeguard United Nations values and standards, and to reinvent its role as a connector in a fragmented world by promoting the diversity of values and multiculturalism. Platforms should be created to engage all actors on related issues by fully utilizing the comparative advantage of the normative agenda of the United Nations. Trust must be rebuilt by showcasing measureable results on the ground and improving on existing successes.

27. The reform of the United Nations development system had focused thus far on increasing leadership at all levels through a more robust resident coordinator system, and by strengthening accountability and trust regarding system-wide activities and improving country-level delivery. The demands of the 2030 Agenda would require the development system to adapt to the realities of the twenty-first century. Accountability for delivering joint outcomes and results must be strengthened; better performance management, greater coordination and pooled financing would be necessary to that end. Prevention was a cross-cutting responsibility that must be integrated into the work of the United Nations system. More synergies and complementarities must be created between humanitarian and development entities and activities. Finally, the United Nations system must enhance its capacity to engage with a wide variety of partners, including the private sector and civil society, while providing its specific value added as a standard-setter and convener.

28. **Mr. Vestrheim** (Norway) said that the annual overview report of the work of the Chief Executives Boards for Coordination was a crucial component in improving the Board's transparency and responsiveness to Member States, as called for in the quadrennial comprehensive policy review. Perhaps, however, the annual report should be presented during the operational activities for development segment rather than during a coordination and management meeting of the Economic and Social Council.

29. Reporting on the deployment of the standard operating procedures was a good example of evidence-based information on changes in the working methods and behaviour of the United Nations development system. He called for more reporting of that kind. Referring to the information provided by the High-level Committee on Management, he said that it would have been useful to know what savings had resulted from harmonization and simplification. With regard to the many statements and policy documents produced by the High-level Committee on Programmes for the follow-up of the 2030 Agenda, more information on their implementation by agencies would have been appreciated.

30. To improve the transparency of the Board, the work plans and annual reports of the United Nations Development Group, the High-level Committee on Management and the High-level Committee on Programmes should be made available.

31. The annual report did not explain what the Board had done aside from endorsing the products of its subsidiary mechanisms. It would be beneficial to examine how the Board could contribute to holding individual agencies accountable for the implementation of the policies and guidelines to which they had agreed. Norway hoped that would be considered in the report of the Secretary-General on follow-up of paragraph 45 of the quadrennial comprehensive policy review.

32. **Ms. Arrieta Mungia** (Observer for Mexico) said that her country welcomed the adoption of the CEB common principles to guide the United Nations system's support to the implementation of the 2030 Agenda for Sustainable Development through a results-based approach tailored to national realities, and its common core principles and United Nations system strategic approach on climate change action.

33. Her delegation welcomed the work of the High-level Committee on Management on procurement, finance and budget, human resources, and information and communications technologies but also urged the High-level Committee to redouble its efforts to ensure more efficient use of resources by all system entities.

34. She commended the Board for its contribution to the International Civil Service Commission comprehensive review of the common system compensation package for staff in the Professional or higher categories and called on it to participate actively in the comprehensive review of the compensation package for locally recruited staff and field staff.

35. She praised the efforts of the Working Group on After-service Health Insurance to find a sustainable, comprehensive and long-term solution for the liabilities outlined in the International Public Sector Accounting Standards. For the time being, it remained

preferable for organizations to cover such costs with their existing revenue streams.

36. Mexico welcomed the Board's commitment to conflict prevention and peacebuilding in the broader context of the 2030 Agenda and to the strengthening of United Nations system capacities to identify the causes of conflict, provide early warning, respond rapidly to imminent threats and scale up cross-cutting cooperation at all levels in all efforts to ensure peace, security, human rights, development and humanitarian assistance. The evolving nature of conflicts required a new course of action and innovative strategies and tools to break the vicious cycle of violence.

37. There was an opportunity to change the world's perception of the United Nations as a profligate institution with inefficient processes, high personnel costs, duplication of functions and obsolete mandates that were shielded by bureaucracy and escaped the rigorous assessment that should have led to their termination. Her delegation would support the periodic review and termination of mandates that had already been fulfilled, and a human resources system in which promotions were based on quality and efficiency of performance, as well as equity

38. The new paradigm proposed by the 2030 Agenda and other international instruments encouraged greater core funding of development activities. Agency coordination, both centrally and on the ground, must be more efficient and open to evaluation by recipient countries.

39. **Ms. Petrova** (Director of the secretariat of the United Nations System Chief Executives Board for Coordination (CEB)) said that suggestions for improvement would be conveyed to the Secretary-General and considered by the Chief Executives Board when preparing for the following session.

40. Although several examples of savings had been provided in the annual overview report, the report was limited in length. Most of the work of the High-level Committee on Management was described on the Board's website. Those looking for more information were urged to reach out to the secretariat of the Chief Executives Board, which stood ready to provide examples of savings.

41. As for making the work plans of member organizations publicly available, she said that the Board merely coordinated the work of many different bodies, each with its own responsibilities in terms of reporting to intergovernmental entities. The work plans of the member organizations of the Board were available online; the request for greater transparency in their work plans would be conveyed. What the Board could do, however, was hold individual organizations more accountable for implementing statements and policy decisions. As the highest-level strategic mechanism for international coordination within the United Nations, the Board must ensure transparency and accountability at the highest levels, in alignment with the resolution on the quadrennial comprehensive policy review.

42. The Human Resources Network within the High-level Committee on Management coordinated work on behalf of the United Nations system with the International Civil Service Commission. The current review of the common system compensation package for locally recruited staff and field staff was supported by the Human Resources Network.

43. The Board ensured that the indivisibility of the Sustainable Development Goals remained at the forefront of all United Nations system efforts, including in the areas of peace and security. The system must focus on prevention, building resilience, addressing the new challenges posed by terrorist threats, and the changing environment of multilateralism.

Agenda item 18: Economic and environmental questions

(l) Transport of dangerous goods (E/2017/53)

44. **Mr. Kervalla** (Chief of the Dangerous Goods and Special Cargoes Section, Sustainable Transport Division, United Nations Economic Commission for Europe), speaking via video link from Geneva, introduced the report of the Secretary-General on the work of the Committee of Experts on the Transport of Dangerous Goods and on the Globally Harmonized System of Classification and Labelling of Chemicals (E/2017/53). Established in 1953, the Committee of Experts was tasked with elaborating recommendations on the transport of dangerous goods; those recommendations were updated every two years to take account of technological progress and new safety or security challenges. They were widely and effectively implemented through national laws in all countries that had a significant economic interest in the international carriage of dangerous goods, as well as by international organizations which were depositaries of multilateral treaties that addressed the carriage of dangerous goods by specific modes of transport and administered relevant legal instruments.

45. The recommendations served as a basis for improving the safety of transport of dangerous goods and for harmonizing all national and international rules

for different modes of transport; they therefore had a significant impact not only on safety improvement, but also on economic development thanks to transport and trade facilitation resulting from harmonization.

46. The mandate of the Committee had been extended in 1999 to the Globally Harmonized System of Classification and Labelling of Chemicals in response to the chemical safety goals contained in chapter 19 of Agenda 21. The work of the Committee was thus not limited to transport but concerned all other sectors, such as supply and use of chemicals, storage, workplace safety, and protection of the environment. The worldwide implementation of the United Nations Globally Harmonized System entailed both improvement of chemical safety and economic benefits resulting from harmonization and trade facilitation.

47. The report of the Secretary-General contained detailed information on the implementation of Council resolution 2015/7. In particular, the nineteenth revised edition of the *Recommendations on the Transport of Dangerous Goods: Model Regulations*, the sixth revised edition of the *Recommendations on the Transport of Dangerous Goods: Manual of Tests and Criteria*, and the sixth revised edition of the *Globally Harmonized System of Classification and Labelling of Chemicals* had been published in all six United Nations languages.

48. The International Maritime Organization, the International Civil Aviation Organization, the Intergovernmental Organization for International Carriage by Rail and the United Nations Economic Commission for Europe had already amended their respective legal instruments on the transport of dangerous goods to give effect to the recommended new provisions. Many countries had also updated their legislation applicable to domestic transport accordingly. As previously requested, the secretariat of the Committee had collected information on the contact details of competent authorities responsible for national regulations governing transport of dangerous goods, and of those responsible for the approval of the packaging design type and the allocation of the United Nations certification mark. The information provided by Member States was available on the Commission's website at the address indicated in the report, though unfortunately not all States had contributed. The secretariat had likewise collected information on the effective implementation worldwide of the Globally Harmonized System: 72 countries, including the major producers of chemical products, were continuing, or had initiated, activities to implement the system.

49. The third part of the report focused on the work of the Committee of Experts during the 2015-2016 biennium; the Committee invited the Council to request the Secretary-General to publish its new recommendations, and to invite Governments and relevant organizations to take account of those recommendations and provide feedback. The fourth part comprised a programme of work and meeting schedule for the 2017-2018 biennium. The Council was invited to approve the programme of work by adopting the draft resolution contained in part I of the report.

Draft resolution: Work of the Committee of Experts on the Transport of Dangerous Goods and on the Globally Harmonized System of Classification and Labelling of Chemicals

50. **The President** invited the Council to take action on the draft resolution contained in part I of the report (E/2017/53).

51. *The draft resolution was adopted.*

Agenda item 10: The role of the United Nations system in implementing the ministerial declaration of the high-level segment of the substantive session of the Economic and Social Council

Agenda item 11: Implementation of and follow-up to major United Nations conferences and summits
(A/72/75-E/2017/56)

52. **Ms. Petracci** (Senior Economic Affairs Officer of the Division for Sustainable Development, Department of Economic and Social Affairs), introducing the report of the Secretary-General on mainstreaming of the three dimensions of sustainable development throughout the United Nations system (A/72/75-E/2017/56), said that the United Nations Conference on Sustainable Development (Rio +20) had called for accelerating the implementation of sustainable development as a means of eradicating poverty. United Nations development institutions must ensure coherence of their programmes and policies for sustainable development.

53. In the call to further mainstream the three dimensions of sustainable development throughout the work of the United Nations, the Secretary-General had been invited to continue reporting to the General Assembly, through the Economic and Social Council, on progress made.

54. In response to that request, the report explored the issue of mainstreaming sustainable development throughout the transformative and universal framework of the 2030 Agenda. As the Sustainable Development Goals were interlinked and indivisible, progress in one

Goal could only be achievable alongside simultaneous progress in all the Goals. The report built on the findings contained in its four previous incarnations and highlighted the ways in which the Goals were at the core of the 2030 Agenda. United Nations organizations were acknowledging the importance of the integrated and holistic nature of the Agenda, and were shaping their strategic plans and programmes accordingly. The links between sustainable development efforts and progress in humanitarian affairs and peace and security were also noted in the report.

55. The report provided an update on the work of United Nations system organizations attempting to integrate the 2030 Agenda into their programmes, including through strategic planning, the creation of updated guidelines and toolkits for use by United Nations country teams, and support to Member States' voluntary reporting on progress in implementing the Goals.

56. The report addressed the ways that the United Nations was working to make its own facilities and management operations more sustainable. While the report contained no specific recommendations, it did recognize the need to strengthen the system-wide approach to the Sustainable Development Goals in line with the quadrennial comprehensive policy review.

57. **Ms. Arrieta Mungía** (Observer for Mexico) said that a cross-cutting approach to the United Nations development system and the measurement of its impact would be necessary to achieve the three dimensions of sustainable development and the Sustainable Development Goals. The report reiterated the universal, integrated and indivisible nature of the Goals, whereby progress with regard to one Goal could only be achieved with simultaneous progress in all the Goals. Her delegation prioritized maintaining a holistic vision that ensured policy coherence with regard to the social, economic and environmental dimensions of sustainable development, as well as greater coordination between the activities of the entities of the United Nations development system.

58. Mexico called on all United Nations agencies, funds and programmes to redesign their structures, actions, strategic plans and national programmes in line with the objectives of the new sustainable development framework, while maintaining a focus on human rights, social inclusion, equality and the gender perspective and striving to eliminate the root causes of conflict and crisis worldwide.

59. That holistic approach leading to sustainable peace could only be achieved through the full implementation of the three dimensions of sustainable development and the accomplishment of all 17 Goals, bearing in mind their interlinkages with disaster risk reduction and humanitarian action. Mexico welcomed the new generation of United Nations Development Assistance Frameworks designed to mobilize the entire system to achieve sustainable peace in conflict-affected countries, in conformity with the relevant resolutions.

60. **Mr. Aguirre Vacchieri** (Chile) said that it was important for United Nations agencies, funds and programmes to take into account the national priorities of each country when considering the three dimensions of sustainable development.

Agenda item 2: Adoption of the agenda and other organizational matters *(continued)* (E/2017/L.23)

Draft decision E/2017/L.23: Economic and Social Council event to discuss the transition from relief to development

61. **The President** invited the Council to take action on the draft decision entitled "Economic and Social Council event to discuss the transition from relief to development" (E/2017/L.23). The draft decision contained no programme budget implications.

62. *The draft decision was adopted.*

The meeting rose at 11.40 a.m.